

1898.

FORTY-FOURTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

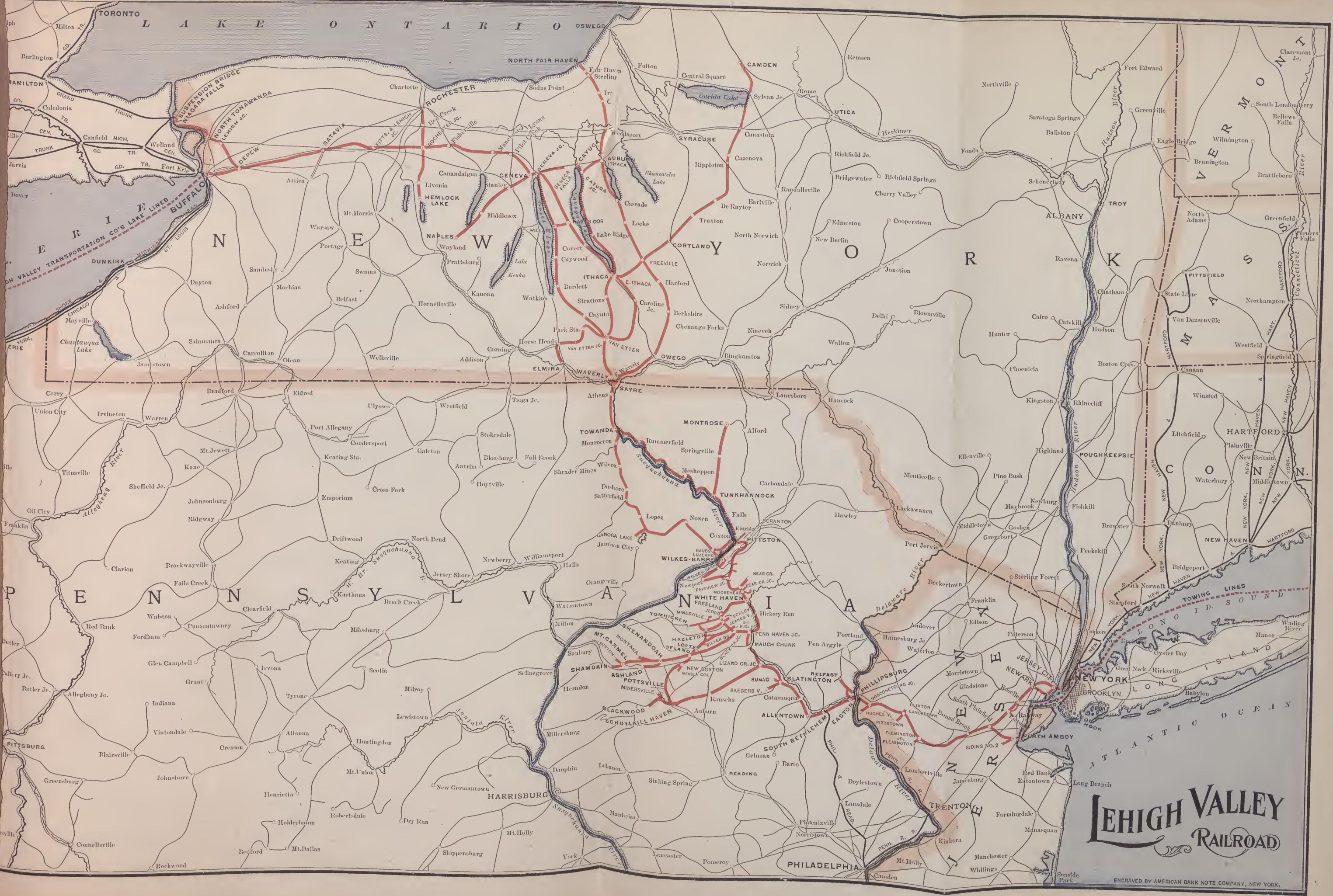
LEHIGH VALLEY RAILROAD COMPANY

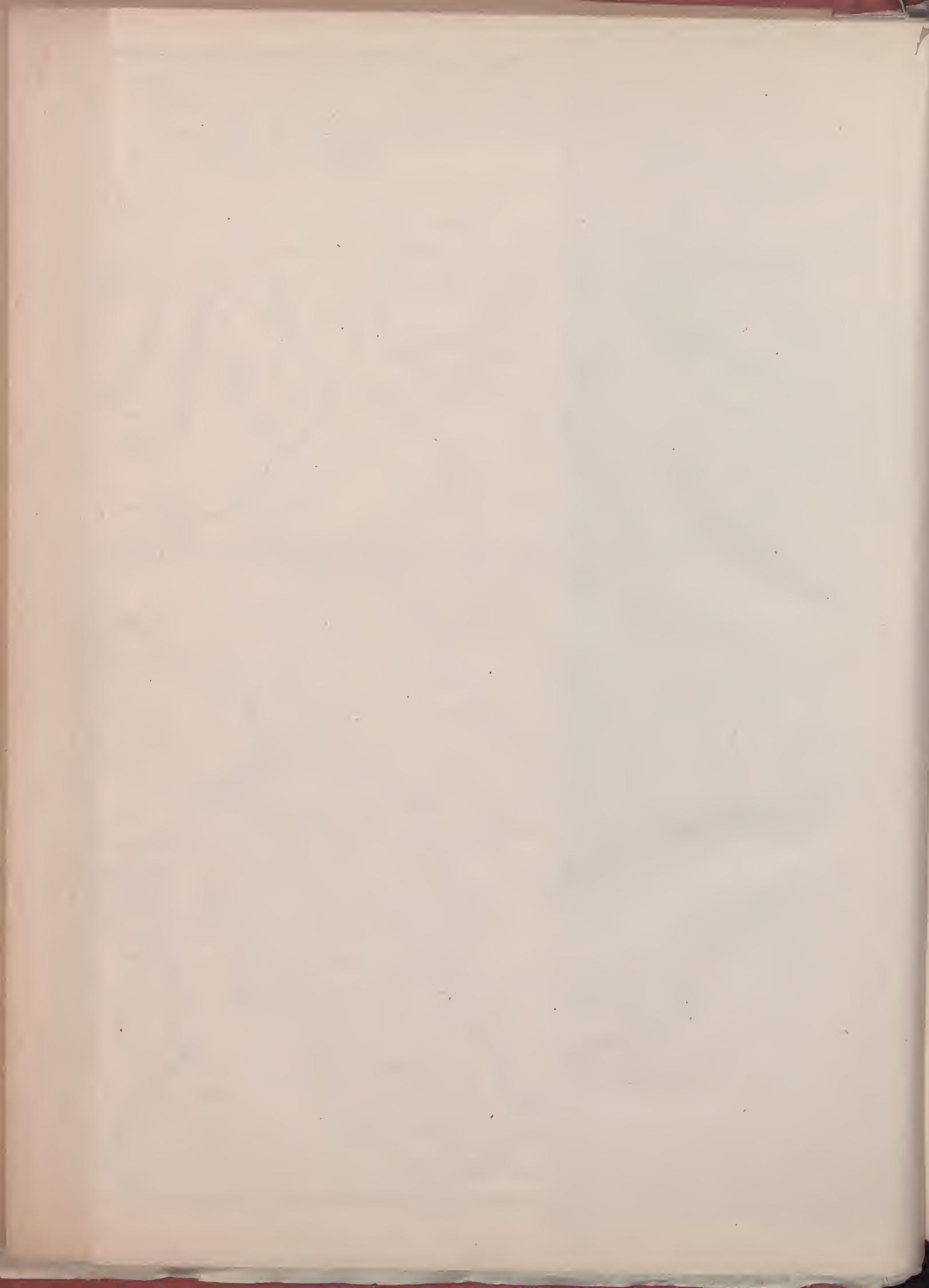
TO THE

STOCKHOLDERS.

FISCAL YEAR ENDED NOVEMBER 30TH, 1898.









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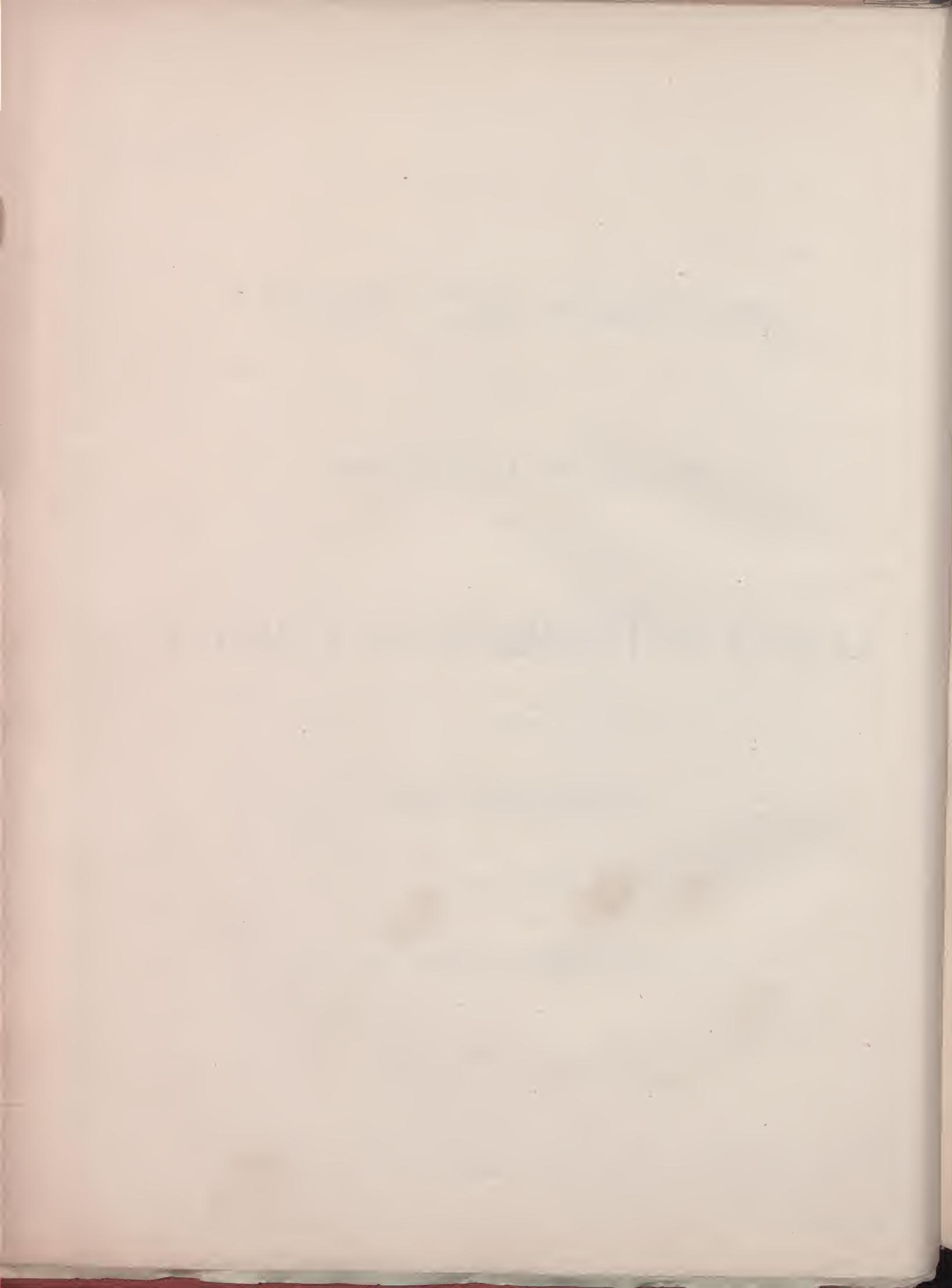
OF THE

LEHIGH VALLEY RAILROAD COMPANY

TO THE

STOCKHOLDERS.

FISCAL YEAR ENDED NOVEMBER 30TH, 1898.



LEHIGH VALLEY RAILROAD COMPANY.

BOARD OF DIRECTORS:

ELECTED JANUARY 17TH, 1899.

CHARLES HARTSHORNE,
ELISHA P. WILBUR,
JOHN B. GARRETT,
BEAUVÉAU BORIE,
JOSEPH WHARTON,
EUGENE DELANO,

EDWARD T. STOTESBURY,
CHARLES H. COSTER,
JUSTUS C. STRAWBRIDGE,
IRVING A. STEARNS,
ABRAM NESBITT,
WILSON S. BISSELL.

OFFICERS.

President,

ALFRED WALTER.

Vice-President,

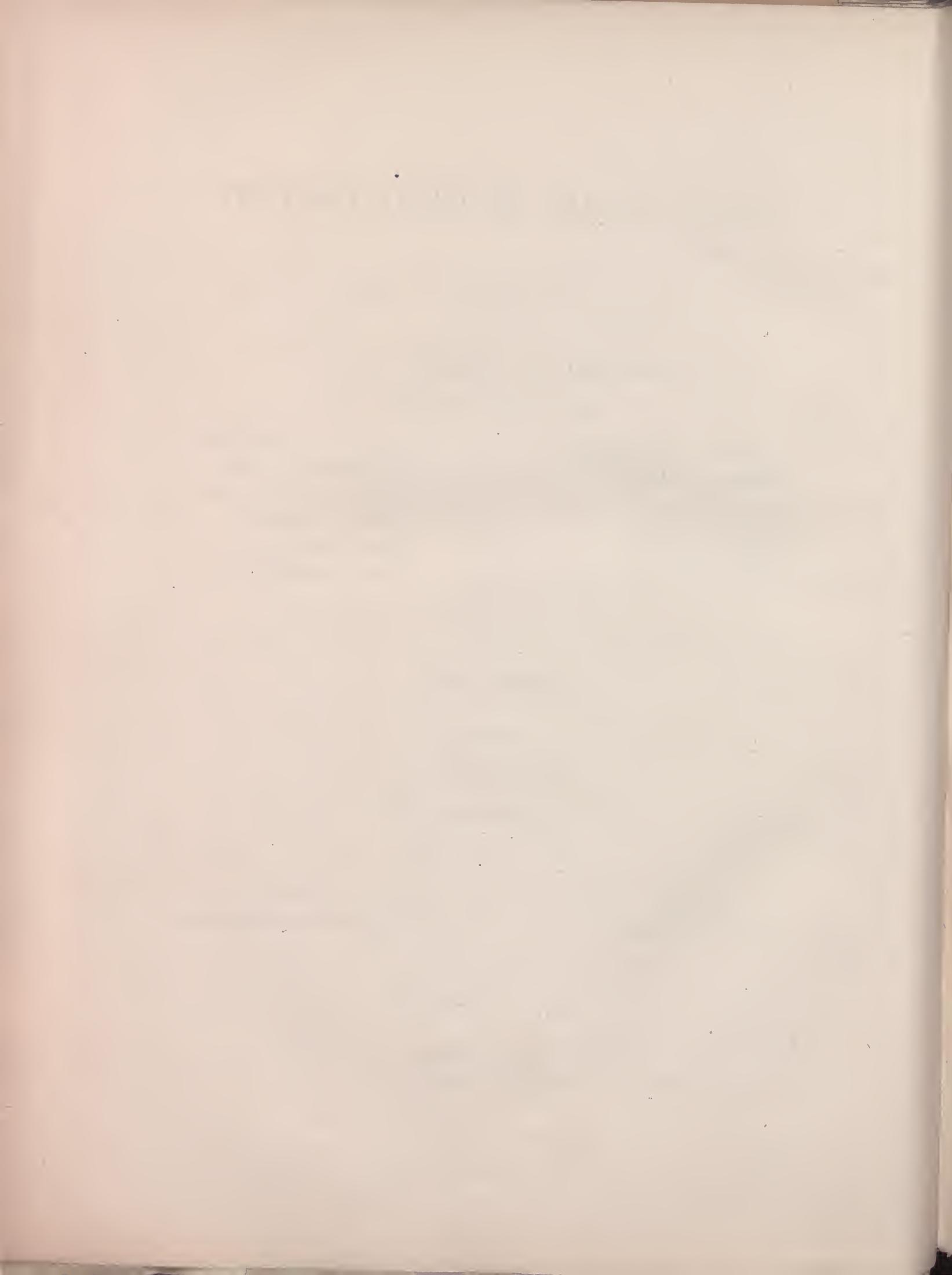
JOHN B. GARRETT.

Comptroller,
ISAAC McQUILKIN.

Treasurer,
J. ANDREWS HARRIS, JR.

Secretary,
JOHN R. FANSHawe.

Assistant Secretary,
DAVID G. BAIRD.



FORTY-FOURTH ANNUAL REPORT.

PHILADELPHIA, January 10th, 1899.

To the Stockholders of the Lehigh Valley Railroad Company:

The following report of the business of your Company and its allied interests for the fiscal year ended November 30th, 1898, is submitted:—

MILEAGE.

The mileage of railroads owned and operated by the Lehigh Valley system, the main line of which extends from Jersey City, N. J., to Buffalo, N. Y., is as follows:—

	MILES.	INCREASE.	DECREASE.
Owned, or controlled by ownership of entire capital stock . . .	979.088	. . . . .	4.310
Controlled by ownership of majority of stock	323.391	27.100	. . . . .
Leases	27.878	. . . . .	. . . . .
Total mileage operated (owned and controlled)	1,330.357	22.790	. . . . .
Trackage rights over railroads owned by other companies . .	63.440	3.060	. . . . .
Total mileage operated	1,393.797	25.850	. . . . .
Easton & Northern Railroad	8.137	. . . . .	. . . . .
Total mileage	1,401.934	25.850	. . . . .

The increase in mileage was caused by the absorption in January, 1898, of the Montrose Railway, which prior to that time was independently operated, to additional construction of the Seneca County Railway, and sundry small branches less tracks abandoned, as shown below.

INCREASE IN MILEAGE.

Montrose Railway	27.224 miles.
Seneca County Railway	2.966 "
National Docks Railway—trackage	3.060 "

LESS DECREASE.

Loyalsock Railroad, Thorndale Branch	5.245 "
Sundry branches	2.155 "
	7.400 "
Net increase	25.850 miles.

The results of operations are shown in the following statements:—

INCOME ACCOUNT.

	1898	1897	INCREASE.	DECREASE.	PER CENT.
EARNINGS FROM OPERATION:—					
From coal traffic	\$8,436,391 89	\$8,560,418 07		\$124,026 18	Dec. 1.45
From miscellaneous freight traffic	7,571,978 39	7,403,470 83	\$168,507 56	"	Inc. 2.28
From passenger traffic	2,718,858 43	2,672,547 13	46,311 30	"	" 1.73
From express and mail	402,958 58	366,666 73	36,291 85	"	" 9.89
From miscellaneous sources	612,350 67	556,064 20	56,286 47	"	" 10.12
Total earnings	\$19,742,537 96	\$19,559,166 96	\$183,371 00	"	Inc. 0.94
EXPENSES OF OPERATION:—					
For maintenance of way and structures	\$2,036,050 09	\$1,953,488 68	\$82,561 41	"	Inc. 4.23
For maintenance of equipment	3,126,026 66	2,996,863 63	129,163 03	"	" 4.31
For conducting transportation	8,242,905 84	8,647,390 38	"	\$404,484 54	Dec. 4.68
For general expenses	568,388 37	595,450 51	"	27,062 14	" 4.54
For county and local taxes	214,856 92	220,137 35	"	5,280 43	" 2.40
Total expenses	14,188,227 88	\$14,413,330 55	"	\$225,102 67	Dec. 1.56
Net earnings from operation	\$5,554,310 08	\$5,145,836 41	\$408,473 67	"	Inc. 7.94
To which add:—					
Net receipts from other transportation lines operated conjointly with Lehigh Valley Railroad	181,908 36	\$156,252 77	\$25,655 59	"	
Income from other sources (see page 28):					
Dividends on stocks	\$257,700 88	297,174 80	"	\$39,473 92	
Interest on bonds	618,770 00	490,802 08	127,967 92	"	
Interest on mortgages	43,751 01	50,609 95	"	6,858 94	
Sundry receipts	37,401 37	41,449 35	"	4,047 98	
Interest receivable, general account	105,413 96	51,671 39	53,742 57	"	
Gross income	1,063,037 22	\$931,707 57	\$131,329 65	"	
Deduct, State taxes (estimated)	\$6,799,255 66	\$6,233,796 75	\$565,458 91	"	
Interest payable, general account	\$360,000 00	\$360,000 00	"		
Surplus* earnings due to Lehigh and New York Railroad Co., lessors	19,853 11	76,789 08	"	\$56,935 97	
Surplus earnings due to Montrose Railway Co. (11 months)	12,620 70	8,004 10	\$4,616 60	"	
Loss and depreciation on water lines, Interest on funded debt	296 38	"	296 38	"	
Rentals of leased lines	217,156 88	231,930 65	"	14,773 77	
Interest on bonds of the Lehigh Valley Coal Company, guaranteed	2,233,520 83	2,131,060 86	102,459 97	"	
Interest on bonds of the Lehigh Valley Coal Company, guaranteed	2,650,645 00	2,613,145 00	37,500 00	"	
Surplus carried to profit and loss	831,058 33	710,204 17	120,854 16	"	
Ratio of operating expenses to earnings,	6,325,151 23	\$6,131,133 86	\$194,017 37	"	
	*\$474,104 43	*\$102,662 89	\$371,441 54	"	
					Dec. 1.82

* These figures do not include the operation of the Lehigh Valley Coal Company, for which see page 20.

EARNINGS.

By reference to the income account, it will be noted the gross earnings from operation of your railroad for the year ended November 30th, 1898, amounted to \$19,742,537.96, an increase over the corresponding fiscal year, 1897, of \$183,371, or .94 per cent.

The expense of operation amounted to \$14,188,227.88, a decrease, as compared with the previous fiscal year, of \$225,102.67, or 1.56 per cent.

The net earnings from operation amounted to \$5,554,310.08, an increase over the previous fiscal year of \$408,473.67, or 7.94 per cent.

The percentage of operating expenses to earnings was 71.87 per cent., as compared with 73.69 per cent. in 1897, a decrease of 1.82 per cent.

COAL TRAFFIC.

The earnings from transportation of anthracite and bituminous coal were \$8,436,391.89, a decrease of \$124,026.18, or 1.45 per cent., as compared with the previous year.

There were 11,574,835 net tons of coal transported during the year, an increase of 44,788 tons as compared with the previous year, or .388 per cent.

The average rate per ton was 72.89 cents, as against 74.24 cents for the previous year, a decrease of 1.35 cents, or 1.82 per cent.

The average rate per ton per mile was .630 cent, as against .672 cent for the previous year, a decrease of .042 cent, or 6.25 per cent.

The number of tons carried one mile was 1,339,426,383, an increase of 65,687,322 ton miles, or 5.16 per cent.

The coal was carried an average distance of 115.72 miles, an increase of 5.25 miles, or 4.75 per cent.

MERCHANDISE TRAFFIC.

The earnings from miscellaneous freight traffic were \$7,571,978.39, an increase of \$168,507.56, or 2.28 per cent., as compared with the previous year.

The total tonnage, exclusive of Company material, was 7,373,933 tons, an increase of 1,034,407 tons, or 16.32 per cent.

The average rate per ton was 102.69 cents, a decrease of 14.09 cents, or 12.07 per cent.

The average rate per ton per mile was .406 cent, a decrease of .072 cent, or 15.06 per cent.

The number of tons carried one mile was 1,864,684,005, an increase of 316,394,560 ton miles, or 20.44 per cent.

The miscellaneous freight was carried an average distance of 252.88 miles, an increase of 8.65 miles, or 3.54 per cent.

Company's material amounted to 175,351 tons, a decrease of 30,746 tons, or 14.92 per cent.

PASSENGER TRAFFIC.

The earnings from passenger traffic were \$2,718,858.43, an increase of \$46,311.30, or 1.73 per cent.

The total number of passengers carried was 4,569,005, a decrease of 312,605 passengers, or 6.40 per cent.

The average receipts per passenger were 59.51 cents, an increase of 4.76 cents, or 8.69 per cent.

The average receipts per passenger per mile were 1.856 cents, a decrease of .117 cent.

The number of passengers carried one mile was 146,509,672, an increase of 11,020,661 passenger miles, or 8.13 per cent.

The average distance each passenger traveled was 32.07 miles, an increase of 4.32 miles, or 15.57 per cent.

The passenger train miles for the fiscal year ended November 30th, 1898, were	4,789,009 miles.
For fiscal year ended November 30th, 1897 (estimated)	*5,786,829 "
Showing a reduction of	997,820 miles.

The average number of passengers carried one mile per mile run by passenger trains increased from $23\frac{1}{2}$ passengers in 1897, to $30\frac{1}{2}$ in 1898, an increase of 7 passengers, or 29.79 per cent.

EXPRESS AND MAIL.

The earnings from express and mail traffic were \$402,958.58, an increase of \$36,291.85 over the previous year, or 9.89 per cent.

MISCELLANEOUS EARNINGS.

The miscellaneous earnings were largely derived from the coal docks at Perth Amboy, Buffalo, North Fair Haven, and Ithaca, the earnings from which were, for the year ended November 30th, 1898, \$394,367.50, an increase of \$43,230.14 over the previous year, or 12.31 per cent.

The rents received from real estate belonging to the Company, occupied by other parties, was \$154,785.04, a decrease of \$3,700.19, as compared with the previous year, or 2.33 per cent.

The remainder of the miscellaneous earnings was derived from telegraph, dining cars and restaurants, news privileges, storage, &c., and aggregated \$63,198.13, an increase of \$16,756.52, as compared with the previous year, or 36.08 per cent.

OPERATING EXPENSES.

The policy of the present management has been, and for some time to come must continue to be, in the line of liberal, and perhaps unusual, expenditures on both roadbed and equipment, in order to adapt the property to the most economical operation.

Substantially all the business of the Company is competitive, or governed by competitive rates, and a study of the figures in this report (and especially a comparison of them with figures in previous reports) will show that rates are steadily and rapidly declining. To derive any profit from them the railway must be so improved in its characteristics as to be able to work much more cheaply than ever before.

The companies with which the Lehigh Valley Railroad is in competition have been adapting themselves to like requirements for many years; but the Lehigh Valley Railroad having done less in these respects until recently, must now proceed with greater activity.

The special changes contemplated during the present year are: (1) the substitution of heavy engines for some of the lighter ones, so as to admit of heavier train loads; (2) lengthening of sidings, &c., to hold the longer trains; (3) strengthening of bridges to carry heavy engines; (4) concentration of shop work; (5) continued improvement of equipment. Every dollar expended for these purposes is in the direction of ultimate, and to some extent immediate, economy of operation.

MAINTENANCE OF WAY AND STRUCTURES.

The cost of Maintenance of Way and Structures for the year was \$2,036,050.09, an increase of \$82,561.41, or 4.23 per cent.

Towards facilitating the prompt movement of traffic, and thus conducing towards economy in "Conducting Transportation," expenditures have been made during the year for additional tracks and sidings, together with other facilities for the acquisition of business, the cost of which it is thought prudent at this time to charge against operating expenses. The details of these expenditures on the several divisions, amounting in the aggregate to \$319,962.69, are as follows:—

* No records available for year 1897.

NEW SIDINGS AND EXTENSIONS.

EASTON AND AMBOY RAILROAD.

Third track, Green's Bridge to West Portal	\$140,679 84
Track to New Orange Industrial Association	3,219 84
Track, smelting works, Perth Amboy	2,911 53
West-bound siding, Pattenburg	3,101 45
Sundry other tracks	2,968 29
	\$152,880 95

LEHIGH DIVISION.

Track to ballast crusher, Redington	\$1,845 10
Tracks, Mahoning yard	5,800 51
Tracks, Packerton yard	2,580 95
Sundry other tracks	5,135 85
	15,362 41

MAHANOY AND HAZLETON DIVISION.

Track to Midvalley Colliery (not completed)	\$4,769 34
Track to Hazleton Shaft Colliery (not completed)	8,902 97
Track to Centralia Colliery (not completed)	3,786 05
Sundry other tracks	2,542 83
	20,001 19

WYOMING DIVISION.

Track, east-bound siding, Hay's Creek	\$1,406 34
Track to Prospect Colliery (not completed)	3,690 84
Track at car shop, Coxton	1,386 87
Sundry other tracks	5,725 95
	12,210 00

PENNSYLVANIA AND NEW YORK DIVISION.

Track, east-bound siding, Falls Station	\$7,440 51
Track, Sayre yard (not completed)	8,364 54
Sundry other tracks	1,226 50
	17,031 55

BUFFALO DIVISION.

Track, North LeRoy siding	\$3,412 00
Track, West Batavia siding	4,597 00
Sundry other tracks	3,959 00
	11,968 00

AUBURN DIVISION.

Track, Auburn engine house	\$1,516 62
Sundry other tracks	2,705 71
	4,222 33

BUILDINGS AND PROPERTY.

EASTON AND AMBOY RAILROAD.

Passenger station, Elizabeth Junction	\$1,380 22
Freight station, Perth Amboy	4,231 81
	5,612 03

LEHIGH DIVISION.

Transfer platform, Lehighton	\$6,611 98
Purchase of property at Coplay, to provide additional yard facilities	12,000 00
Right of way for Jordan Loop Branch	5,700 00
	24,311 98

WYOMING DIVISION.

Purchase of property, Wilkes-Barre, to provide additional freight-yard facilities	13,500 00
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PENNSYLVANIA AND NEW YORK DIVISION.

Shops at Sayre (not completed)	4,404 14
Carried forward	\$281,504 58

Brought forward		\$281,504 58
AUBURN DIVISION.		
Passenger station at Auburn (not completed)	\$4,803 44	
Engine house at Auburn	23,928 80	
28,732 24		
BUFFALO DIVISION.		
Passenger station and freight house at Ithaca (not completed)	\$6,725 87	
Real estate, new station yard	3,000 00	
9,725 87		
Total		\$319,962 69

Included in the repairs and renewals made during the year were the following:—	
Repairs of docks and coal stocking grounds, Perth Amboy	\$54,162 51
Dredging at Perth Amboy	5,236 50
Paving roadway, Grand Street, Jersey City	6,133 32
New coal trestle at Allentown	4,285 64
Renewal and extension of water tank and standpipes at Wilkes-Barre	3,453 56
New coaling trestle at Sayre	10,803 76
Filling trestles on Auburn Division	11,650 32
New passenger and freight station at Martville	1,226 11
Filling trestles on Buffalo Division	9,300 00

Track repairs include 7199.57 tons of 90-pound steel rails and 41.02 tons of 80-pound steel rails, which were laid in the track, with the necessary frogs, switches, &c. There were also laid 627,417 cross ties and 2,682,762 feet B. M. of switch and bridge ties.

The rails on the Thorndale Branch were taken up during the year, owing to the supply of bark on that line being exhausted.

Additions to the interlocking plants, costing \$21,676.45, were also made during the year.

The expense of repairs of bridges amounted to \$250,511.92, including \$146,189.32 for renewals of iron bridges, as follows:—

LOCATION.	NUMBERS.	COST.
State Street Bridges, Perth Amboy	P. 17	\$4,846 26
East of New Market	28	2,197 19
" Bound Brook	33 A	2,423 99
" Neshanic	43	2,957 98
" Neshanic	44 A	2,068 00
" Lansdown	57 and 57 A	22,863 59
" Kennedy	71	1,869 78
Easton Viaduct	77 B	31,824 81
Allentown	B. B. 93	1,203 70
Glen Onoko	124	15,590 56
East of White Haven	145	2,274 28
West of White Haven	148	3,077 26
Fairview	159	4,171 41
Laurel Run	164	616 33
East of Lackawanna and Bloomsburg Junction	178	3,885 41
D., L. & W. R. R. Crossing	178 A	17,648 97
East of Lackawanna and Bloomsburg Junction	178 B	1,175 07
Skinner's Eddy	224	2,555 01
Laceyville	225	1,247 44
Wysox	252	3,154 43
Taughannock Falls	L. 315	14,388 48
Auburn Division Bridges		4,149 37
Total		\$146,189 32

MAINTENANCE OF EQUIPMENT.

On November 30th, 1898, your locomotives, passenger cars, freight, coal, and service cars were in better general condition than at the end of the previous fiscal year, there being 1413 cars of all classes in shop, or awaiting repairs, as compared with 2065 cars for the corresponding date of 1897; and 73 locomotives, as compared with 80 locomotives in 1897.

It should be remembered, however, that a considerable portion of your equipment is of an obsolete type, particularly the four-wheel coal cars, which are being condemned and taken out of service as rapidly as good judgment warrants. There are also a number of engines which, owing to their light capacity, are not economical for service, and it will be necessary to replace them with engines of greater tractive power at an early date. During the period required to restore such portions of your equipment to a modern standard, it is to be expected that the expenditures charged to maintenance will be unusually heavy, but when completed the resulting saving in cost of transportation should be large.

The expense of Maintenance of Equipment amounted to \$3,126,026.66, an increase of \$129,163.03 as compared with the previous year, or 4.31 per cent.

In this amount is included the estimated cost to replace the following equipment worn out or destroyed:—

18 locomotives	\$185,250 00	1 passenger car	\$6,325 00
2663 4-wheel coal cars	303,582 00	1 express car	2,267 00
68 8-wheel coal cars	30,200 00	3 combination cars	14,628 00
194 box cars	76,337 38		
41 other freight cars	12,544 95	Total	\$666,652 40
5 caboose cars	1,875 00		
151 service cars	33,643 07		

This amount was credited to the Equipment Renewal Reserve Account, the credit balance of which at the beginning of the year was \$635,320.78. The balance of account for Depreciation of Equipment of Controlled Companies, \$288,966.48, has been added to these amounts, bringing the total credit to Equipment Renewal Reserve Account up to \$1,590,939 66

Against this has been charged equipment bought, as follows:—

1000 box cars, costing	\$586,801 03
14 locomotives	157,753 82
1 dining car	11,645 00
There were built in the Company's shops:—	
14 box cars, Car Trust "Series A"	on account 5,875 26
1 coal car, Car Trust "Series B"	561 91
14 coal cars, Lehigh Valley Terminal Railway Car Trust	6,562 74
Total charges during the year	769,199 76
Leaving a credit balance, November 30th, 1898, available as required, for the purchase of new equipment to replace equipment destroyed, of	\$821,739 90

In addition, the cost of 250 box cars, amounting to \$146,700.27, was charged to Maintenance of Equipment; 1582 cars were equipped at the Company's shops with Master Car Builders' couplers, and 70 cars with air brakes, at a total cost of \$45,736.18, which was also charged to the same account.

The total number of locomotives owned on November 30th, 1898, by the several roads in your system was 736, of an average age of 10 1-5 years.

The total tonnage capacity of your freight and coal equipment in service November 30th, 1898, was 889,732 tons, as compared with 873,558 tons the previous year, an increase of 16,174 tons. Of your total coal and freight equipment, 24,654 cars, or 58.27 per cent., are now equipped with master car builder couplers; and 13,613 cars, or 32.18 per cent., with air brakes.

The average mileage made by engines was 46,653.8 miles in passenger service, and 31,549.5 miles in freight service. The greatest mileage was 113,433 miles in passenger service, and 57,363 miles in freight service.

CONDUCTING TRANSPORTATION.

The items of operating expenses comprised under the heading of Conducting Transportation amount to \$8,242,905.84, a decrease as compared with the previous year of \$404,484.54, or 4.68 per cent., notwithstanding an increase of coal and freight transported one mile of 382,081,882 tons, and of 11,020,661 passengers carried one mile.

Large decreases are shown in the cost of train and engine service, car service, and cleaning and inspecting cars.

Rents of tracks and terminals increased, due to the heavier movement of traffic on lines belonging to other companies over which your Company has trackage rights.

The increase in fuel for locomotives is due to the heavier traffic; and the increase in station agents and clerks is attributable to a reclassification of employés now placed under this head instead of under another account, as formerly.

GENERAL EXPENSES.

The general expenses amounted to \$568,388.37, a decrease of \$27,062.14 as compared with the previous year, or 4.54 per cent.

LEHIGH VALLEY TRANSPORTATION COMPANY.

The fleet of the Lehigh Valley Transportation Company, operating on the Great Lakes, and which is owned entirely by your Company, consists of the following vessels:—

STEEL STEAMERS.

"E. P. Wilbur," built in May, 1888	carrying capacity 3,000 tons.
"Seneca," built in August, 1889	" 3,000 "
"Saranac," built in April, 1890	" 3,000 "
"Tuscarora," built in June, 1890	" 3,000 "

WOODEN STEAMERS.

"Tacoma," built in August, 1881	carrying capacity 2,250 tons.
"Oceanica," built in September, 1881	" 2,050 "
"Clyde," built in September, 1881	" 1,800 "
"R. A. Packer," built in September, 1881	" 1,320 "
"H. E. Packer," built in September, 1882	" 1,650 "
"Fred Mercur," built in October, 1882	" 1,650 "

Total carrying capacity 22,720 tons.

FLOATING EQUIPMENT.

The floating equipment of the Easton and Amboy Railroad, employed in New York Harbor and Long Island Sound, consists of:—

4 tugs, 40 barges, 7 propellers.

In addition to these, the Easton and Amboy Railroad Company owns one-half interest in the New York Lighterage and Transportation Company, owning:—

There are also 5 tugs, 76 floats, 1 wrecking boat.

 225 canal boats, 15 seows, 2 dredges,

belonging to the Company, operated on the Morris Canal.

FINANCIAL.

The mortgage of the Lehigh Valley Railroad Company, dated May 15th, 1868, bearing 6 per cent. interest per annum, known as the First Mortgage, matured, under its terms, on June 1st last.

As it was deemed to the interest of your Company, in lieu of providing for the payment of said issue of bonds, to arrange with the holders for the extension of the time of payment of the principal thereof to June 1st, 1948, and for the reduction of the interest thereon to 4 per cent. per annum, payable semi-annually in gold coin, free of taxes, your Board authorized and instructed the officers of the Company to cause to be prepared a suitable extension agreement and the necessary coupon sheets, and to cause to be stamped on the face of each of the said bonds, coupon or registered, when presented, the words "Extended at 4 per cent. per annum interest, in accordance with the annexed agreement."

Under the authority thus given, practically the entire issue of these bonds has been presented and extended.

Both the original trustees named in this mortgage being dead, your Company appointed The Girard Life Insurance, Annuity and Trust Company of Philadelphia as trustee to succeed them.

The issue of sterling bonds under the Consolidated Mortgage was extinguished by the final drawing of bonds of the par value of \$284,000, payable December 1st, 1897, all of which, with the exception of one bond, have been presented and paid.

The semi-annual amounts due on car trusts, \$100,000 on series A and \$50,000 on series B, were paid; and payments to the amount of \$75,000 on account of the provisions of the sinking fund of the Mortgage and Collateral Trust Deed, were made to the trustees, reducing the principal of said mortgage by a corresponding amount. The total principal of your funded debt was thus reduced \$509,000 during the year.

The increase in charge for interest on funded debt is due to a full year's interest being included on the Mortgage and Collateral Trust Bonds issued in 1897, in which year interest was charged only from the date of sale of the bonds; the increase thus shown, was reduced by the saving in interest on the First Mortgage Bonds, and by the interest on bonds retired, as noted above.

Your Company has no floating debt.

CAPITAL STOCK.

The share capital of the Company remains unchanged. It consists of—

806,696 shares common stock, par \$50	\$40,334,800 00
2,126 shares preferred stock, par \$50	106,300 00
Total capital stock	\$40,441,100 00

GENERAL REMARKS.

The Joint Traffic Association, of which this Company with thirty-one others was a member, as stated in previous reports, was dissolved in November last, in obedience to a decision of the Supreme Court of the United States that its articles of association were violative of the statute known as the Sherman Anti-Trust Act. No substitute for the method thus abandoned has yet been devised for bringing the trunk lines of the country into such harmonious co-operation as is essential to the maintenance of just rates for transportation. There is, however, reason to believe that public opinion is awakening to the importance of preserving the railroads of the country from destruction, and that the aid of the Government, by legislation or otherwise, and of the business community, may ere long be given to the honest and earnest efforts which are being made to adopt, and maintain impartially, rates that shall promote and not restrict the trade of the country.

The account with the Philadelphia and Reading Railroad Company, lessees, is in the same position as stated in the last annual report, no agreement having been reached. The Company's attorneys are prepared to bring this matter to an issue at an early date, so that a legal determination of your claims under the lease may be secured.

Mr. Stephen Little was requested to make an examination of, and to verify, the accounts of the Railroad Company and the Coal Company for the fiscal year. His certificate as to their correctness is hereinafter submitted for your information.

The general balance sheet and detailed statements of earnings and expenses, together with various statistical tables, will be found appended to this report.

A summary of the operations of the Lehigh Valley Coal Company during the year, its general balance sheet, income account, and profit and loss account, are shown in the following pages.

The net results from operation of the Railroad Company for the year have been . . . profit, \$474,104 43
The net results from operation of the Coal Company for the year have been loss, 1,142,807 41

Total debit for the year (both companies)	\$668,702 98
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This debit is more than represented by the amount expended for colliery improvements during the year, viz.	700,648 90
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which is included in the loss of the Coal Company.

Mr. Charles Hartshorne resigned as Vice-President, which office he had held continuously for thirty years from 1868, with the exception of the years 1880 to 1882 inclusive, during which period he was President of the Company. His resignation as Vice-President became effective January 1st, 1899.

Mr. Thomas McKean, a valued member of the Board of Directors, died on March 16th last. Mr. Wilson S. Bissell, of Buffalo, N. Y., was elected a Director of the Company, May 18th, 1898, to fill the vacancy caused by the death of Mr. McKean.

By order of the Board,

ALFRED WALTER,
President.

GENERAL PROFIT AND LOSS ACCOUNT.

LEHIGH VALLEY RAILROAD COMPANY.

ADJUSTMENTS FROM DECEMBER 1ST, 1897, TO NOVEMBER 30TH, 1898, INCLUSIVE.

CREDIT.

Credit balance, November 30th, 1897	\$377,478 42
Credit balance of income account, year 1898	474,104 43
Sundry receipts belonging to previous years	80,498 88
Adjustment of taxes, previous years	73,268 21
Interest on Coal Ridge Improvement and Coal Company bonds belonging to previous years	23,070 00
Uncollected wages, previous years	7,825 79
Vouchers not presented for payment	278 53
Received proportion of old account previously written off	257 43
Cash over	4 00
	—————
	\$1,036,785 69

DEBIT.

Commissions and premiums	\$125,840 83
Open book accounts, &c., of previous years considered uncollectible	67,596 03
Loss on securities sold	35,500 00
Hazleton Coal Company receipts for 1897 credited back to that com- pany	21,308 54
Sundry expenses belonging to previous years	13,328 18
Estimated depreciation in securities	9,074 00
Correction of construction charges against auxiliary companies, previous years	610 30
	—————
Credit balance, November 30th, 1898, as per balance sheet	273,257 88
	—————
	\$763,527 81

CONDENSED BALANCE SHEET, NOVEMBER 30TH, 1898, AND COMPARISON WITH
NOVEMBER 30TH, 1897.*Dr.*

LEHIGH VALLEY RAILROAD COMPANY.

ASSETS, NOVEMBER 30th, 1898.			CHANGES DURING YEAR 1898.	
			INCREASE.	DECREASE.
RAILROAD.				
Cost of road		\$18,639,291 95		
EQUIPMENT		19,018,419 98		
REAL ESTATE		1,770,079 63		\$34,940 00
SECURITIES OWNED.				
Mortgages receivable	\$717,494 18			15,809 72
Stocks of railroad and water lines included in Lehigh Valley system .	18,162,075 85			27,625 93
Stocks of allied coal companies . .	1,262,558 29			190 00
Stocks of other companies	348,649 00			514,808 00
Bonds of railroad and water lines included in Lehigh Valley system .	3,398,926 00			
Bonds of Lehigh Valley Coal Company,	6,400,000 00			
Bonds of other coal companies . .	997,183 17			
Bonds of other companies	79,003 00			25,000 00
Car Trust certificates Lehigh Valley Terminal Railway	900,000 00			99,999 00
OTHER PERMANENT INVESTMENTS.		32,265,889 49		
Advances to railroad and water lines included in Lehigh Valley system . (See page 37.)		5,579,707 19	\$98,378 14	
CURRENT ASSETS.				
Cash in hands of Treasurer	\$3,174,066 47			275,653 08
Cash in hands of officers and agents .	52,148 00		52,148 00	
Cash in London	9,783 77			9,891 54
Due by station agents	1,518,703 22		486,602 97	
Due by individuals and companies .	780,335 16			85,019 18
Traffic balances due by other companies	877,947 18		126,068 34	
Bills receivable	264,762 84			276,708 30
Advances to Lehigh Valley Coal Company	1,596,650 00		516,735 13	
Advances to other controlled coal companies	233,287 91		672 06	
Advances to other companies . . .	484,584 52			171,727 03
MATERIAL AND SUPPLIES ON HAND		8,992,269 07		
		613,797 57		134,847 17
CONTINGENT ASSETS.				
Philadelphia and Reading Railroad Company, lessees		3,215,341 34		2,794 33
Total assets	\$90,094,796 22			\$394,408 64

CONDENSED BALANCE SHEET, NOVEMBER 30TH, 1898, AND COMPARISON WITH
NOVEMBER 30TH, 1897.

LEHIGH VALLEY RAILROAD COMPANY.

Cr.

	LIABILITIES, NOVEMBER 30TH, 1898.	CHANGES DURING YEAR 1898.	
		INCREASE.	DECREASE.
CAPITAL STOCK	\$40,441,100 00	. . . . .	. . . . .
FUNDED DEBT	39,825,000 00	. . . . .	\$509,000 00
DEPRECIATION OF EQUIPMENT.			
Equipment renewal reserve	\$821,739 90	. . . . .	102,547 36
Depreciation of marine equipment	275,555 54	\$75,600 32	. . . . .
	1,097,295 44		
CURRENT LIABILITIES.			
Mortgages on real estate	\$346,351 72	. . . . .	35,500 00
Sterling bond drawn, not presented	1,000 00	. . . . .	2,000 00
Dividends unclaimed	76 54	. . . . .	74 64
Morris Canal dividends unclaimed . . . . .	. . . . .	. . . . .	5,028 70
Bond interest due and unclaimed	28,603 00	. . . . .	16,186 25
Accrued bond interest and rentals	1,479,107 90	. . . . .	60,665 86
Accrued interest Lehigh Valley Coal Company bonds	241,395 83	. . . . .	2,291 67
November pay roll paid in December,	726,354 30	18,722 59	. . . . .
Audited vouchers, including Novem- ber bills, paid in December	1,141,290 06	385,317 95	. . . . .
Due to individuals and companies	81,619 67	37,203 50	. . . . .
Traffic balances due to other companies	195,806 71	16,929 11	. . . . .
Unclaimed wages	516 82	. . . . .	6,598 11
Lehigh and New York Railroad Com- pany, lessors	32,260 22	21,526 26	. . . . .
State taxes accrued	420,022 59	. . . . .	6,820 89
Employees' pension fund	14,039 60	5,339 61	. . . . .
	4,708,444 96		
DEFERRED LIABILITIES.			
Lehigh Valley Terminal Railway Com- pany	\$974,597 71	. . . . .	551,278 89
Easton and Amboy Railroad Company	259,319 17	. . . . .	22,185 00
Insurance fund, "Bee Line"	176,000 00	23,000 00	. . . . .
Insurance on storehouse	21,500 00	. . . . .	. . . . .
Sundry accounts	125,592 13	. . . . .	42,897 86
	1,557,009 01		
CONTINGENT LIABILITIES.			
Philadelphia and Reading Railroad Company, lessees, construction	\$1,104,487 21	. . . . .	. . . . .
Philadelphia and Reading Railroad Company, lessees, equipment	452,041 60	. . . . .	. . . . .
Unadjusted lease accounts	145,890 19	. . . . .	1,022 14
	1,702,419 00		
Total liabilities	\$89,331,268 41	. . . . .	\$780,458 03
PROFIT AND LOSS TO BALANCE	763,527 81	\$386,049 39	. . . . .
Total	\$90,094,796 22	. . . . .	\$394,408 64

LEHIGH VALLEY COAL COMPANY.

There was produced during 1898, from the collieries operated by the Lehigh Valley Coal Company and its tenants, and from collieries operated by tenants of land companies in which the Lehigh Valley Coal Company or the Lehigh Valley Railroad Company is interested through ownership of stock, a tonnage aggregating 4,426,138.17 tons of all sizes, an increase of 41,696.06 tons as compared with the figures for 1897.

The sources from which this tonnage was derived during 1898 are shown in the table below, together with the amounts derived from the same sources during the fiscal years of 1897 and 1896, viz.:—

	1898	1897	1896
Lehigh Valley Coal Company	2,609,126.00	2,613,725.15	2,819,756.18
Tenants of Lehigh Valley Coal Company	1,113,447.15	1,139,003.03	1,492,155.18
Other tenants	703,565.02	631,713.13	786,278.04
Total tonnage	4,426,138.17	4,384,442.11	5,098,191.00

The tonnage for 1898, with the exception of that from North Franklin, amounting to 58,113.04 tons, was transported to market over the Lehigh Valley system.

The capacity of the collieries operated by the Lehigh Valley Coal Company in 1898 averaged about 19,000 tons per day, but the changes and improvements which have been made during 1898, the results of some of which have not been felt as yet, together with those contemplated during the early part of 1899, will increase this amount by the time the busy season opens to about 22,500 tons per day.

During the month of October, the total shipments over the Lehigh Valley Railroad amounted to 969,530 tons of anthracite coal (exclusive of trackage coal, &c.), of which the Lehigh Valley Coal Company contributed 395,596 tons, or about 40.8 per cent., making it the largest single month's shipment in the history of both the Railroad and Coal Company.

The cost of mining at the collieries operated by the Lehigh Valley Coal Company, based upon shipments of all sizes, and including in addition to the regular mining expenses all charges to general expense, royalty, sinking fund, insurance, taxes, depreciation and improvement account, was per ton, for the years 1896, 1897, and 1898, respectively: \$1.8994, \$1.5522, and \$1.7881.

NOTE.—No allowance was made in cost of mining in 1897 for depreciation of the old improvement account.

IMPROVEMENT CHARGES.

During the year 1898 there was expended at the anthracite mines \$700,648.90 for colliery improvement work, by which is meant expenditures for dead work and facilities made (1) with a view to opening mining territory, and (2) for the purpose of effecting substantial savings in the cost of your future mining operations. All this expenditure has been charged directly to income.

The cost of mining has also borne a depreciation charge of five cents per ton, amounting to \$130,456.29, which, together with the sum first mentioned, makes a total of \$831,105.19 charged to cost of mining for the year on account of new work and for reduction of the old improvement account.

This amount was, of course, abnormal, but it was nevertheless necessary last year in order to facilitate the purposes above indicated. The success of the Lehigh Valley properties, both railway and coal, must largely depend upon economy of operation; therefore, the interests of all concerned will be promoted by reaching such economy as rapidly as it can consistently and judiciously be reached.

With the uncertainties which at all times surround the anthracite trade, it is essential that the Lehigh Valley Coal Company shall be able to mine as cheaply as its competitors, otherwise, in times of keen competition, like the present, it must either do business at a loss, or withdraw from the coal business altogether.

The present cost of mining by the Lehigh Valley Coal Company is too high, and reduction must come from concentration of work and in improvement of appliances for mining. This necessarily

involves the systematic abandonment or alteration of much existing plant, including small "breakers." The replacement of the property so abandoned is a heavy drain on income, but other companies which have gone through the process are now deriving the benefits, and it is fully believed that a like result will attend the Lehigh Valley Coal Company in due time.

In view of the large expenditures for colliery improvements during the last fiscal year, it is believed that a state of efficiency has been reached which will obviate the necessity for unduly large expenditures in the present fiscal year; their extent, thereafter, must depend upon circumstances not yet fully determined.

Following will be found the principal items included in the expenditures for 1898, above referred to, viz.:—

FRANKLIN COLLIERY:—

New boiler plant	\$14,293 18
----------------------------	-------------

PROSPECT COLLIERY:—

New breaker	\$131,674 66
New boiler plant	54,597 12
New slopes and pumping plant	49,509 83
Grading	12,376 27
Scales and offices	1,369 63
New mine cars	4,501 12

HENRY COLLIERY:—

New boiler plant	\$57,978 99
Shaft tower	1,763 11
Compressor plant	1,510 08
New cars	986 25

WYOMING COLLIERY:—

New slopes	62,238 43
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MALTBY COLLIERY:—

New cars	17,655 60
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EXETER COLLIERY:—

New boiler plant	\$2,803 52
New shafts	26,856 09
New cars	861 25

HAZLETON No. 1 COLLIERY:—

New tunnel	30,520 86
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HAZLETON SHAFT COLLIERY:—

New breaker	\$124,403 17
New boiler plant	17,339 30
New shaft and pumping plant	40,241 13
Tracks and grading	19,547 40
Hoisting plant	12,968 49
Outbuildings and scales	4,072 94
New cars	18,984 42

CENTRALIA COLLIERY:—

New breaker	\$22,100 23
Holmes Rock plane	30,325 63
Seven-foot slope	1,051 51
Shops and warehouse	1,829 42
New cars	2,089 80

Total	57,396 59
-----------------	-----------

\$700,648 90

Included in the cost of mining coal was the sum of \$54,140.05 for account of the sinking fund under the terms of the mortgage of 1892. This amount has been paid to the trustees under the mortgage, for the purchase and cancellation of bonds. There were purchased during the year \$100,000 par value of bonds, secured by mortgage on the Snow Shoe Lands; and \$25,000 was paid to the trustees under the same mortgage on account of sinking fund, leaving the principal of said mortgage outstanding at the close of the year, \$375,000.

INCOME ACCOUNT.

LEHIGH VALLEY COAL COMPANY.

	1898	1897	INCREASE	DECREASE
RECEIPTS.				
Coal sales (anthracite)	\$16,332,681 25	\$17,072,411 28		\$739,730 03
Coal sales (bituminous)	55,760 37	316,128 67		260,368 30
Commissions receivable	71,651 48	63,617 77	\$8,033 71	
Royalties on coal mined by others from Company's lands	85,668 48	\$78,726 20	6,942 28	
Rents receivable	28,770 96	24,732 61	4,038 35	
Interest receivable, general account,	38,335 47	31,882 01	6,453 46	
Dividends	46,162 00	55,338 56		
Timber sold from Company's lands,	7,497 74	13,026 33		9,176 56
				5,528 59
EXPENSES.	\$16,666,527 75	\$17,655,863 43		\$989,335 68
Mining coal and repairs, excluding colliery improvements	\$3,964,825 54	\$3,657,603 92	\$307,221 62	
Coal purchased (anthracite)	5,682,951 56	6,023,126 92		\$340,175 36
Mining coal (bituminous)		163,463 21		163,463 21
Coal purchased (bituminous)	46,314 86	116,847 59		
Coal from stock	427,659 19	189,191 43	238,467 76	70,532 73
Transportation of coal by rail	5,738,662 36	5,827,188 42		
Transportation of coal by water	535,897 02	373,750 16	162,146 86	88,526 06
Handling coal at depots	147,312 27	283,444 08		
Commissions on coal sales	127,598 78	235,671 93		136,131 81
Damages account coal dirt	1,680 65			108,073 15
Estimated depreciation in value of coal in stock	51,624 25		51,624 25	
Estimated depreciation of coal stor- age plants in addition to \$25, 385.61 included in coal selling expenses	24,417 39	15,132 77	9,284 62	
Selling and general expenses not chargeable to cost of mining	293,980 71	290,172 14	3,808 57	
State and local taxes not charge- able to cost of mining	39,473 76	33,351 05	6,122 71	
Interest payable, general account	3,837 92	12,258 05		8,420 13
	17,086,236 26	17,221,201 67		\$134,965 41
Net loss from operation	\$419,708 51	*\$434,661 76	\$854,370 27	
Interest on Snow Shoe bonds	\$22,450 00	\$25,000 00		\$2,550 00
Colliery improvements	700,648 90	399,484 52	301,164 38	
	723,098 90		424,484 52	\$298,614 38
Total debit for year	\$1,142,807 41		*\$10,177 24	\$1,152,984 65

* Credit.

NOTE.—Results of operation of Snow Shoe mines, not included in Income Account for 1898.

GENERAL PROFIT AND LOSS ACCOUNT.

LEHIGH VALLEY COAL COMPANY.

ADJUSTMENTS FROM DECEMBER 1ST, 1897, TO NOVEMBER 30TH, 1898, INCLUSIVE.

CREDIT.

Credit balance, November 30th, 1897	\$105,599 21
Sundry receipts belonging to previous years	6,434 97
Received from old accounts previously written off	211 11
	<hr/> \$112,245 29

DEBIT.

Debit balance of income account for 1898	\$1,142,807 41
Open book accounts, &c., of previous years, considered uncollectible	44,649 53
State taxes, previous years	11,588 72
	<hr/> 1,199,045 66
Debit balance, November 30th, 1898, as per balance sheet	\$1,086,800 37
	<hr/>

CONDENSED BALANCE SHEET, NOVEMBER 30TH, 1898, AND COMPARISON
WITH NOVEMBER 30TH, 1897.

Dr.

LEHIGH VALLEY COAL COMPANY.

ASSETS, NOVEMBER 30th, 1898.			CHANGES DURING YEAR 1898.	
			INCREASE.	DECREASE.
COAL PROPERTIES.				
Coal lands	\$4,523,890 00	. . . . .		\$93,828 35
Colliery improvements	3,826,216 76	. . . . .		148,647 00
		\$8,350,106 76		
COAL STORAGE PROPERTIES AND PLANTS		794,126 47		55,885 85
OTHER REAL ESTATE		9,082 85	\$6,082 85	
SECURITIES OWNED.				
Stocks of allied companies	\$593,568 00	. . . . .		100,000 00
Interest in allied company	10,000 00	. . . . .	
Mortgages receivable	18,876 23	. . . . .	
		622,444 23		
ADVANCED ROYALTIES		4,220,401 59	307,722 08	
CURRENT ASSETS.				
Cash in hands of Treasurer	\$372,747 90	. . . . .		96,397 23
Cash in hands of agents	24,100 00	. . . . .		12,400 00
Royalties due by lessees	33,053 87	. . . . .		4,503 26
Bills receivable	337,617 54	. . . . .		154,691 51
Due by individuals and companies for coal sold	3,217,419 99	. . . . .		22,939 69
Due by individuals and companies other than coal accounts	91,187 02	. . . . .		16,268 46
Advance insurance premiums	21,846 20	. . . . .	471 60	
Trustees of sinking fund	47,732 35	. . . . .	47,550 00	
		4,145,704 87		
STOCK OF COAL ON HAND		1,862,573 63		448,567 96
MATERIAL AND SUPPLIES ON HAND		96,139 35	22,504 98	
Total assets		\$20,100,579 75		\$769,797 80
PROFIT AND LOSS TO BALANCE		1,086,800 37	\$1,192,399 58	
Total		\$21,187,380 12	\$422,601 78	

CONDENSED BALANCE SHEET, NOVEMBER 30TH, 1898, AND COMPARISON
WITH NOVEMBER 30TH, 1897.

LEHIGH VALLEY COAL COMPANY.

Cr.

	LIABILITIES, NOVEMBER 30TH, 1898.	CHANGES DURING YEAR 1898.	
		INCREASE.	DECREASE.
CAPITAL STOCK	\$650,000 00		
FUNDED DEBT.			
First mortgage five per cent. gold loan, \$12,000,000 00			
Less paid through Sinking Fund	\$11,637,000 00		\$60,000 00
Five per cent. gold bond	5,000,000 00		
Snow Shoe bonds	375,000 00		125,000 00
	17,012,000 00		
DEPRECIATION OF COAL LANDS PER SINKING FUND	415,748 13	\$57,895 05	
ADVANCED ROYALTIES	70,061 98		6,158 91
CURRENT LIABILITIES.			
Due to Lehigh Valley Railroad Company	\$1,596,650 00	516,735 13	
Royalties accrued unpaid	2,493 28		4,786 86
Due to operators for November coal	590,727 26		93,597 02
Due to individuals and companies other than coal accounts	38,207 49	9,110 95	
Bond interest due and unclaimed	3,275 00	3,275 00	
Audited vouchers, including November bills paid in December	516,180 83	120,859 76	
Pay roll for November paid in December	263,335 67		11,431 80
State taxes accrued	28,700 48	15,700 48	
	3,039,570 01		
Total liabilities	\$21,187,380 12	\$422,601 78	

NEW YORK, December 31st, 1898.

ALFRED WALTER, Esq.,

President Lehigh Valley Railroad Company:

DEAR SIR:—Complying with your request, I beg to report that I visited Philadelphia, Pa., and in the Comptroller's office of your Company there, examined and verified—

I.

The general profit and loss accounts of the Lehigh Valley Railroad Company and the Lehigh Valley Coal Company respectively, with the adjustments therein, for the fiscal year ended November 30th, 1898;

II.

The earnings and operating expenses and income accounts of the Lehigh Valley Railroad Company and the Lehigh Valley Coal Company respectively for the fiscal year ended November 30th, 1898;

III.

Their general balance sheets at November 30th, 1898.

I therefore certify, that the elements constituting such general profit and loss accounts, income accounts, and balance sheets are fully and fairly set forth, and reflect truthfully the transactions of the two Companies respectively, for the year under review and their financial condition at the end thereof.

As usual, every courtesy and facility necessary to my examination was freely extended to me, and is hereby acknowledged.

Yours very truly,

STEPHEN LITTLE.

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Table 1.

STATEMENT OF FUNDED DEBT AND INTEREST DURING PAST FISCAL YEAR.

	PRINCIPAL.	DATE OF MATURITY.	INTEREST ACCRUED.		
			Rate.	Due.	Amount.
Lehigh Valley R. R. Co. :—					
First mortgage bonds	\$5,000,000	June 1st, 1948 . { 6% to June 1 4% from June 1 gold		June and Dec. .	\$250,000 00
Second mortgage bonds	6,000,000	Sept. 1st, 1910 . .	7% . . .	Mar. and Sept. .	420,000 00
Consolidated mortgage bonds :—					
Coupon	\$1,319,000	Dec. 1st, 1923 . .	6% . . .	June and Dec. .	
Registered	4,319,000	" . . .	6% . . .	" . .	
Annuity	9,812,000	Indefinite . . .	6% . . .	" . .	
	<u>15,450,000</u>				
Coupon	\$1,669,000	Dec. 1st, 1923 . .	4½% . . .	" . .	927,000 00
Registered	3,093,000	" . . .	4½% . . .	" . .	
Annuity	2,538,000	Indefinite . . .	4½% . . .	" . .	
	<u>7,300,000</u>				
Mortgage and collateral trust bonds	4,925,000	May 1st, 1997 . .	5% gold	May and Nov. .	328,500 00
Car trust, series A, bonds	750,000	{ \$50,000 semi-annually to February 1st, 1906.	5% gold	Feb. and Aug. .	247,395 83
Car trust, series B, bonds	400,000	{ \$25,000 semi-annually to August 1st, 1906.	5% gold	" . .	39,583 34
					21,041 66
Total	\$39,825,000				\$2,233,520 83
" previous year	40,334,000				2,131,060 86
*Decrease	\$509,000			†Increase . . .	\$102,459 97
 *Sterling bonds, final drawing December 1st, 1897 . . . \$284,000 00					
Mortgage and collateral trust bonds purchased and canceled for sinking fund 75,000 00					
Car trust, series A, bonds paid 100,000 00					
Car trust, series B, bonds paid 50,000 00					
 Total decrease \$509,000 00					
 †Mortgage and collateral bond interest, increase \$176,333 32					
First mortgage bonds, interest, decrease \$50,000 00					
Sterling bonds, interest, decrease 17,040 00					
Car trust, series A, interest, decrease 4,333 33					
Car trust, series B, interest, decrease 2,500 02					
 73,873 35					
Total increase \$102,459 97					

STATEMENT OF GUARANTEES, INTEREST, AND RENTALS OF LEASED LINES DURING PAST FISCAL YEAR.

NAME.	PRINCIPAL.	DATE OF MATURITY.	INTEREST AND RENTALS ACCRUED.		
			Rate.	Due.	Amount.
Penna. and New York Canal and R. R. Co. :—					
First mortgage bonds	\$1,500,000	June 1st, 1906 . .	7% . . .	June and Dec. .	\$105,000 00
Consolidated mortgage bonds	4,000,000	April 1st, 1939 . .	5% . . .	April and Oct. .	200,000 00
Consolidated mortgage bonds	1,500,000	" " . .	4½% . . .	" " .	67,500 00
Consolidated mortgage bonds	3,000,000	" " . .	4% . . .	" " .	120,000 00
	<u>\$10,000,000</u>				
Easton and Amboy R. R. Co. :—					
First mortgage bonds	6,000,000	May 1st, 1920 . .	5% . . .	May and Nov. .	300,000 00
The Lehigh Valley R. W. Co. :—					
First mortgage bonds	15,000,000	July 1st, 1940 . .	4½% gold	Jan. and July .	675,000 00
Lehigh Valley Terminal Ry. Co. :—					
First mortgage bonds	10,000,000	October 1st, 1941	5% gold .	April and Oct. .	500,000 00
Greenville and Hudson Ry. Co. :—					
* First mortgage bonds	350,000	May 1st, 1997 . .	5% gold .	May and Nov. .	17,500 00
Easton and Northern R. R. Co. :—					
First mortgage bonds	51,000	Nov. 1st, 1935 . .	4½% gold	" " .	2,295 00
Schuylkill and Lehigh Valley R. R. Co. :—					
* First mortgage bonds	2,000,000	March 1st, 1943 .	5% gold .	March and Sept. .	100,000 00
Carried forward	\$43,401,000				\$2,087,295 00

STATEMENT OF GUARANTEES, INTEREST, AND RENTALS OF LEASED LINES.—Continued.

NAME.	PRINCIPAL.	DATE OF MATURITY.	INTEREST AND RENTALS ACCRUED.		
			Rate.	Due.	Amount.
Brought forward	\$43,401,000	. . . . .	. . . . .	. . . . .	\$2,087,295 00
Rochester Southern R. R. Co.:—					
* First mortgage bonds	425,000	Nov. 1st, 1945	5% gold .	May and Nov. .	21,250 00
Lehigh and New York R. R. Co.:—					
First mortgage bonds	2,000,000	Sept. 1st, 1945	4% gold .	March and Sept.	80,000 00
a First mortgage bonds	375,000	Nov. 1st, 1942	5% gold .	May and Nov. .	18,750 00
Elmira, Cortland and Northern R. R. Co.:—					
† First preferred mortgage bonds, \$750,000		April 1st, 1914	6% gold .	April and Oct. .	45,000 00
First mortgage bonds	1,250,000	" "	5% gold .	" "	62,500 00
Canastota Northern R. R. Co.:—					
First mortgage bonds	300,000	July 1st, 1906	6% gold .	Jan. and July .	18,000 00
Morris Canal and Banking Co.:—					
b Preferred stock	\$1,175,000		10%		117,500 00
c Consolidated stock	1,025,000		4%		41,000 00
* First mortgage bonds	500,000	October 1st, 1920	6%	April and Oct. .	30,000 00
Waverly and State Line R. R. Co.:—					
Rental					600 00
Depew and Tonawanda R. R. Co.:—					
Rental					30,000 00
Hazleton Coal Co.:—					
* First mortgage bonds	1,975,000	Sept. 1, 1936	5% gold .	March and Sept.	98,750 00
Lehigh Valley Coal Co.:—					
d Mortgage bonds, issue of 1892	11,637,000	Jan. 1st, 1933	5% gold .	Jan. and July .	581,058 33
* Mortgage bond, issue of 1897	5,000,000	May 1st, 1947	5% gold .	May and Nov.	250,000 00
Delano Land Co.:—					
First mortgage bonds	1,141,000	Jan. 1st, 1932	5% gold .	Jan. and July .	57,400 00
Total	\$70,954,000				\$3,539,103 33
" previous year	71,052,000				3,382,149 17
†Decrease	\$98,000			†Increase	\$156,954 16

†Hazleton Coal Company bonds purchased and canceled for sinking fund
Lehigh Valley Coal Company bonds, mortgage 1892, purchased and canceled for sinking fund
Delano Land Company bonds purchased and canceled for sinking fund

‡Greenville and Hudson Ry. Co. bond interest, increase \$8,750 00
Lehigh Valley Coal Company mortgage, 1897 125,000 00
Depew and Tonawanda R. R. Co., rental, increase 30,000 00

Less :—
Hazleton Coal Co. bond interest, decrease \$1,250 00
Lehigh Valley Coal Co. mortgage 1892 bond interest, decrease 4,145 84
Delano Land Co. bond interest, decrease 1,400 00

6,795 84

Total decrease \$98,000 00 Total increase \$156,954 16

RECAPITULATION.

	PRINCIPAL.	INTEREST.
Lehigh Valley Railroad Company, funded debt	\$39,825,000 00	\$2,233,520 83
Guarantees and rentals of leased lines	53,176,000 00	2,650,645 00
Total interest on funded debt and fixed rentals of leased lines as per income account, Lehigh Valley Coal Company	16,637,000 00	\$4,884,165 83
Interest charge as per income account		831,058 33
Total interest and rentals charged to income account, Delano Land Company		\$5,715,224 16
Total principal of funded debt and guarantees	1,141,000 00	57,400 00
" previous year	\$110,779,000 00	
Total interest on same accrued during fiscal year 1898	111,386,000 00	\$5,772,624 16
" previous year		5,513,210 03
Decrease	\$607,000 00	Inc. \$259,414 13

NOTE.—The interest matured during the year on bonds of the Delano Land Company was paid by that Company.
* All owned by Lehigh Valley Railroad Company.

† Not guaranteed by Lehigh Valley Railroad Company, but are a mortgage lien on property which is a part of its system by ownership of capital stock
a Lehigh Valley Railroad Company owns \$164,000.
b Lehigh Valley Railroad Company owns \$271,400.

c Lehigh Valley Railroad Company owns \$318,300.
d Lehigh Valley Railroad Company owns \$1,400,000.

Table 2.

STATEMENT OF INCOME FROM OTHER SOURCES FOR YEAR ENDED
NOVEMBER 30TH, 1898.

DIVIDENDS ON STOCKS:—

National Docks Railway Company	\$115,620 00
New York and Middle Coal Field Railroad and Coal Company	63,669 00
Morris Canal and Banking Company	39,872 00
Westwood Coal Company	14,437 50
Highland Coal Company	10,800 00
Buffalo Creek Railroad Company	8,750 00
Mineral Spring Coal Company	2,350 80
Philadelphia Floating Elevator Association	1,200 00
People's Railway Company	522 00
Weatherly Water Company	360 00
Locust Mountain Coal and Iron Company	81 00
	\$257,662 30

INTEREST ON BONDS:—

Lehigh Valley Coal Company	\$320,000 00
Schuylkill and Lehigh Valley Railroad Company	100,000 00
Hazleton Coal Company	98,750 00
Morris Canal and Banking Company	30,000 00
Rochester Southern Railroad Company	21,250 00
Middlesex Valley Railroad Company	8,200 00
Greenville and Hudson Railway Company	17,500 00
Coal Ridge Improvement and Coal Company	23,070 00
	618,770 00

INTEREST ON MORTGAGES

43,789 59

SUNDRY RECEIPTS:—

Waverly and State Line Railroad rental	\$600 00
Depew and Tonawanda Railroad rental	30,000 00
Easton and Northern Railroad earnings	2,694 23
Philadelphia Floating Elevator surplus	4,107 14
Interest receivable, general account	105,413 96
	142,815 33
Total as per income account	\$1,063,037 22

MISCELLANEOUS EARNINGS.

Coal dock earnings	\$394,367 50
Rents receivable	154,785 04
Telegraph earnings	13,774 88
Dining car earnings	3,527 56
News privileges	5,239 92
Storage, &c.	40,655 77
Total as per income account	\$612,350 67

Table 3.

STATEMENT OF EARNINGS AND EXPENSES FOR FIVE YEARS, 1894 TO 1898 INCLUSIVE.

EARNINGS.

	COAL TRAFFIC.	FREIGHT TRAFFIC.	PASSENGER TRAFFIC.	EXPRESS AND MAIL.	MISCELLANEOUS SOURCES.	GROSS EARNINGS.	NET EARNINGS.
1894	\$8,391,541 81	\$5,982,857 70	\$2,104,677 12	\$262,590 95	\$588,926 19	\$17,330,593 77	\$4,009,764 52
1895	8,470,859 32	6,849,062 24	2,316,540 33	281,795 71	646,196 56	18,564,454 16	4,536,001 30
1896	8,623,573 81	7,472,104 26	2,556,535 68	340,082 10	649,601 50	19,641,897 35	4,931,002 38
1897	8,560,418 07	7,403,470 83	2,672,547 13	366,666 73	556,064 20	19,559,166 96	5,145,836 41
1898	8,436,391 89	7,571,978 39	2,718,858 43	402,958 58	612,350 67	19,742,537 96	5,554,310 08

OPERATING EXPENSES.

	MAINTENANCE OF WAY.	MAINTENANCE OF EQUIPMENT.	CONDUCTING TRANSPORTATION.	GENERAL EXPENSES.	COUNTY AND LOCAL TAXES.	TOTAL EXPENSES.	PER CENT RATIO OF EXPENSES TO EARNINGS.
1894	\$1,702,977 92	\$2,028,327 35	\$8,872,479 86	\$581,036 93	\$136,007 19	\$13,320,829 25	76.86
1895	1,861,118 46	2,633,081 02	8,784,188 72	557,999 26	192,065 40	14,028,452 86	75.56
1896	2,082,912 77	2,604,686 50	9,230,031 26	584,712 02	208,552 42	14,710,894 97	74.89
1897	1,953,488 68	2,996,863 63	8,647,390 38	595,450 51	220,137 35	14,413,330 55	73.69
1898	2,036,050 09	3,126,026 66	8,242,905 84	568,388 37	214,856 92	14,188,227 88	71.87

Table 4.

SUMMARY OF FINANCIAL OPERATIONS OF THE LEHIGH VALLEY RAILROAD COMPANY FROM DECEMBER 1ST, 1897, TO NOVEMBER 30TH, 1898, EXCLUSIVE OF ITS INCOME ACCOUNT.

RESOURCES TO BE ACCOUNTED FOR.

DECREASE OF ASSETS.

REAL ESTATE	\$34,940 00
SECURITIES OWNED :—	
Mortgages receivable	\$15,809 72
Stocks of railroads and water lines included in Lehigh Valley system	27,625 93
Stocks of allied coal companies	190 00
Stocks of other companies	514,808 00
Bonds of other coal companies	25,000 00
Bonds of other companies	99,999 00
	683,432 65
CURRENT ASSETS :—	
Cash in hands of Treasurer	\$275,653 08
Cash in London	9,891 54
Due by individuals and companies	85,019 18
Bills receivable	276,708 30
Advances to other companies	171,727 03
	818,999 13
MATERIAL AND SUPPLIES ON HAND	134,847 17
CONTINGENT ASSETS :—	
Philadelphia and Reading Railroad Company, lessees	2,794 33
Total decrease of assets	\$1,675,013 28

INCREASE OF LIABILITIES.

DEPRECIATION OF EQUIPMENT :—	
Depreciation of marine equipment	\$75,600 32
CURRENT LIABILITIES :—	
November pay roll	\$18,722 59
Audited vouchers	385,317 95
Due to individuals and companies	37,203 50
Traffic balances due to other companies	16,929 11
Lehigh and New York Railroad Company, lessors . . .	21,526 26
Employees' pension fund	5,339 61
	485,039 02
DEFERRED LIABILITIES :—	
Insurance fund, "Bee Line"	23,000 00
Total increase of liabilities	583,639 34

INCREASE OF PROFIT AND LOSS.

By balance at credit of profit and loss, November 30 th , 1897	\$377,478 42
By balance at credit of profit and loss, November 30 th , 1898	763,527 81
Grand total to be accounted for	386,049 39

\$2,644,702 01

This sum is accounted for as follows, viz.:—

INCREASE OF ASSETS.

OTHER PERMANENT INVESTMENTS:—

Advances to railroads and water lines included in Lehigh Valley system	\$98,378 14
--	-------------

CURRENT ASSETS:—

Cash in hands of officers and agents	\$52,148 00
Due by station agents	486,602 97
Traffic balances due by other companies	126,068 34
Advances to Lehigh Valley Coal Company	516,735 13
Advances to other controlled coal companies	672 06
	1,182,226 50

Total increase of assets	\$1,280,604 64
------------------------------------	----------------

DECREASE OF LIABILITIES.

FUNDED DEBT:—

Consolidated mortgage sterling bonds, "Class A," drawn	\$284,000 00
Mortgage and collateral trust bonds bought and canceled	75,000 00
Car Trust bonds, "Series A," paid	100,000 00
Car Trust bonds, "Series B," paid	50,000 00
	\$509,000 00

DEPRECIATION OF EQUIPMENT:—

Equipment renewal reserve	102,547 36
-------------------------------------	------------

CURRENT LIABILITIES:—

Mortgages on real estate	\$35,500 00
Sterling bonds drawn	2,000 00
Dividends	74 64
Morris Canal dividends	5,028 70
Bond interest	16,186 25
Accrued bond interest and rentals	60,665 86
Accrued interest Lehigh Valley Coal Company bonds	2,291 67
Unclaimed wages	6,598 11
State taxes accrued	6,820 89
	135,166 12

DEFERRED LIABILITIES:—

Lehigh Valley Terminal Railway Company	\$551,278 89
Easton and Amboy Railroad Company	22,185 00
Sundry accounts	42,897 86
	616,361 75

CONTINGENT LIABILITIES:—

Unadjusted lease accounts	1,022 14
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Total decrease of liabilities	1,364,097 37
---	--------------

Grand total accounted for	\$2,644,702 01
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Table 5.

SUMMARY OF FINANCIAL OPERATIONS OF THE LEHIGH VALLEY COAL COMPANY
FROM DECEMBER 1ST, 1897, TO NOVEMBER 30TH, 1898, EXCLUSIVE OF ITS
INCOME ACCOUNT.

RESOURCES TO BE ACCOUNTED FOR.

DECREASE OF ASSETS.

COAL PROPERTIES:—

Coal lands	\$93,828 35
Colliery improvements	148,647 00
	<hr/>
COAL STORAGE PROPERTIES AND PLANTS	\$242,475 35 55,885 85

SECURITIES OWNED:—

Stocks of allied companies	100,000 00
--------------------------------------	------------

CURRENT ASSETS:—

Cash in hands of Treasurer	\$96,397 23
Cash in hands of agents	12,400 00
Royalties due by lessees	4,503 26
Bills receivable	154,691 51
Due by individuals and companies for coal sold	22,939 69
Due by individuals and companies other than coal accounts	16,268 46

STOCK OF COAL ON HAND	307,200 15
	<hr/>
	448,567 96

Total decrease of assets	\$1,154,129 31
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INCREASE OF LIABILITIES.

DEPRECIATION OF COAL LANDS PER SINKING FUND	\$57,895 05
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CURRENT LIABILITIES:—

Due to Lehigh Valley Railroad Company	\$516,735 13
Due to individuals and companies other than coal accounts	9,110 95
Bond interest	3,275 00
Audited vouchers	120,859 76
State taxes accrued	15,700 48

	665,681 32
--	------------

Total increase of liabilities	723,576 37
---	------------

Grand total to be accounted for	\$1,877,705 68
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This sum is accounted for as follows, viz.:—

INCREASE OF ASSETS.

OTHER REAL ESTATE	\$6,082 85
ADVANCED ROYALTIES	307,722 08
CURRENT ASSETS:—	
Advance insurance premiums	\$471 60
Trustees of sinking fund	47,550 00
	—————
MATERIAL AND SUPPLIES ON HAND	48,021 60
	22,504 98
Total increase of assets	\$384,331 51

DECREASE OF LIABILITIES.

FUNDED DEBT:—	
First mortgage 5 per cent. gold loan . . .	\$60,000 00
Snow Shoe bonds	125,000 00
—————	
ADVANCED ROYALTIES	\$185,000 00
CURRENT LIABILITIES:—	6,158 91
Royalties accrued, unpaid	\$4,786 86
Due to operators for November coal	93,597 02
Pay roll for November	11,431 80
	—————
Total decrease of liabilities	109,815 68
	—————
	300,974 59

DECREASE OF PROFIT AND LOSS.

By balance at credit of profit and loss November 30th,	
1897	\$105,599 21
To balance at debit of profit and loss November 30th,	
1898	1,086,800 37
—————	
Grand total accounted for	1,192,399 58
	—————
	\$1,877,705 68

Table 6.

DETAILED STATEMENT OF OPERATING EXPENSES FOR YEARS ENDED
NOVEMBER 30TH.

	1898	1897	INCREASE.	DECREASE.
MAINTENANCE OF WAY AND STRUCTURES:—				
Repairs of roadway	\$790,230 99	\$790,332 78	. . . . .	\$101 79
Renewal of rails	103,567 71	113,457 81	. . . . .	9,890 10
Renewal of ties	324,564 27	292,204 00	\$32,360 27	. . . . .
Repairs of bridges and culverts	250,511 92	132,778 36	117,733 56	. . . . .
Repairs of fences and cattle guards	9,876 47	15,046 84	. . . . .	5,170 37
Repairs of road crossings and signs	17,421 89	21,204 21	. . . . .	3,782 32
Repairs of buildings and fixtures	284,033 42	302,006 37	. . . . .	17,972 95
Repairs of docks and wharves	95,209 24	96,868 04	. . . . .	1,658 80
Repairs of telegraph	28,124 58	35,997 28	. . . . .	7,872 70
Superintendence	52,380 43	54,802 72	. . . . .	2,422 29
Clerks	15,046 06	9,628 95	5,417 11	. . . . .
Road watchmen	47,468 52	66,559 65	. . . . .	19,091 13
Expenses and repairs of real estate	10,052 98	16,955 29	. . . . .	6,902 31
Stationery and printing	2,253 10	1,422 51	830 59	. . . . .
Other expenses	5,308 51	4,223 87	1,084 64	. . . . .
Total	\$2,036,050 09	\$1,953,488 68	\$82,561 41	. . . . .
MAINTENANCE OF EQUIPMENT:—				
Repairs and renewals of locomotives	\$1,109,925 18	\$1,081,835 70	\$28,089 48	. . . . .
Repairs and renewals of passenger cars	232,172 61	249,554 99	. . . . .	\$17,382 38
Repairs and renewals of freight cars	700,833 62	637,409 68	63,423 94	. . . . .
Repairs and renewals of coal cars	674,366 45	585,922 16	88,444 29	. . . . .
Repairs and renewals of work cars	42,794 06	35,336 63	7,457 43	. . . . .
Repairs and renewals of floating equipment	47 56	1,398 38	. . . . .	1,350 82
Shop machinery and tools	68,843 38	72,770 70	. . . . .	3,927 32
Superintendence	95,618 50	102,526 68	. . . . .	6,908 18
Clerks	87,584 24	59,133 89	28,450 35	. . . . .
Watchmen and laborers	83,849 37	83,566 75	282 62	. . . . .
Stationery and printing	2,802 06	1,639 26	1,162 80	. . . . .
Other expenses	27,189 63	85,768 81	. . . . .	58,579 18
Total	\$3,126,026 66	\$2,996,863 63	\$129,163 03	. . . . .

DETAILED STATEMENT OF OPERATING EXPENSES.—*Continued.*

	1898	1897	INCREASE.	DECREASE.
CONDUCTING TRANSPORTATION:—				
Locomotive service and supplies	\$1,551,208 58	\$1,669,547 86	. . . . .	\$118,339 28
Fuel for locomotives	1,395,894 47	1,363,423 19	\$32,471 28	. . . . .
Train service and supplies	1,615,048 99	1,867,685 89	. . . . .	252,636 90
Station service and supplies	1,098,431 20	1,128,136 89	. . . . .	29,705 69
Switchmen, flagmen, and watchmen	329,265 21	341,976 57	. . . . .	12,711 36
Expenses of telegraph	246,718 06	262,177 53	. . . . .	15,459 47
Expenses of floating equipment	1,036 23	4,519 84	. . . . .	3,483 61
Superintendence	101,338 25	93,788 25	7,550 00	. . . . .
Clerks	164,113 74	168,836 57	. . . . .	4,722 83
Terminal shipping expenses	337,509 80	329,923 34	7,586 46	. . . . .
Damages to persons and property	127,563 62	131,954 65	. . . . .	4,391 03
Outside agencies and advertising	261,518 47	235,204 63	26,313 84	. . . . .
Car service	Cr. 2,424 89	105,136 86	. . . . .	107,561 75
Expenses of fast freight lines and traffic associations	178,139 68	170,200 55	7,939 13	. . . . .
Rents of tracks and terminals	604,365 00	560,543 34	43,821 66	. . . . .
Rents of buildings and other property	125,421 23	110,650 69	14,770 54	. . . . .
Stationery and printing	61,657 72	55,966 60	5,691 12	. . . . .
Other expenses	46,100 48	47,717 13	. . . . .	1,616 65
Total	\$8,242,905 84	\$8,647,390 38	. . . . .	\$404,484 54
GENERAL EXPENSES:—				
Salaries of general officers and clerks	\$345,376 01	\$328,519 49	\$16,856 52	. . . . .
General office expenses and supplies	45,445 27	50,105 68	. . . . .	\$4,660 41
Insurance	29,251 04	9,145 42	20,105 62	. . . . .
Legal expenses	72,727 55	85,481 93	. . . . .	12,754 38
Stationery and printing	12,115 37	17,735 72	. . . . .	5,620 35
Other general expenses	63,473 13	104,462 27	. . . . .	40,989 14
Total	\$568,388 37	\$595,450 51	. . . . .	\$27,062 14
COUNTY AND LOCAL TAXES	\$214,856 92	\$220,137 35	. . . . .	\$5,280 43
Total operating expenses	\$14,188,227 88	\$14,413,330 55	. . . . .	\$225,102 67

Table 7.

STATEMENT OF ADVANCES AND CREDITS TO RAILROAD LINES INCLUDED IN
LEHIGH VALLEY SYSTEM, FOR YEAR ENDED NOVEMBER 30TH, 1898.

DEBITS.

Easton and Northern Railroad Company :—

Capital account (for construction in progress) :

Lehigh River bridge	\$55,536 56
Tracks and sidings, &c.	2,318 10
Real estate and right of way	10,352 69
Legal and engineering expenses	988 68
	—————
	\$69,196 03

Greenville and Hudson Railway Company :—

Capital account (for construction in progress) :

Grading, masonry, &c.	\$316 01
Bridges	574 79
Crossings, cattle guards, &c.	5,454 89
Real estate and right of way	401 50
Legal and engineering expenses, &c.	6,583 23
	—————
	13,330 42

Seneca County Railway Company :—

Capital account (for construction in progress) :

Grading, masonry, &c.	\$13,720 25
Tracks, ballast, &c.	9,665 65
Bridges	1,119 17
Stations and fixtures	750 38
Real estate and right of way	13,481 61
Legal and engineering expenses, &c.	2,498 42
	—————
Sundry accounts debited	41,235 48
	230 30
Total debits	\$123,992 23

CREDITS.

Lehigh Valley Rail Way Company :—

Capital account :

Real estate sold	\$2,565 00
Less real estate purchased	2,519 20
	—————

\$45 80

Loyalsock Railroad Company :—

Capital account :

Material taken up from Thorndale Branch	\$4,887 66
Less real estate purchased	300 00
	—————

4,587 66

Pennsylvania and New York Canal and Railroad Company :—

Capital account :

Real estate sold	\$3,290 00
Stationary engine sold	2,253 80
	—————

5,543 80

Sundry accounts credited and reclassified

15,436 83

Total credits 25,614 09

Net increase in advances to railroad lines as per balance sheet

\$98,378 14

Table 8.

STATEMENT OF AMOUNTS DUE BY RAILROAD AND WATER LINES IN LEHIGH VALLEY SYSTEM FOR ADVANCES ON ACCOUNT OF CONSTRUCTION AND NEW PROPERTY.

RAILROADS :—

	AMOUNT.
Bay Side Railway Company	\$303 34
Depew and Southwestern Railroad Company	13,160 72
Depew and Tonawanda Railroad Company	240,530 18
Easton and Northern Railroad Company	387,107 81
Greenville and Hudson Railway Company	70,876 19
Jersey City Belt Line Railway Company	23,966 43
Lehigh and Lake Erie Railroad Company	1,646 42
Lehigh Valley Rail Way Company	3,691,181 04
Loyalsock Railroad Company	160,846 60
Middlesex Railway Company	2,253 57
Newark Bay Railway Company	3,178 83
Pennsylvania and New York Canal and Railroad Company	49,714 95
Perth Amboy and Raritan Railway Company	28,489 85
Pittstown Branch Railway Company	19,535 92
Rochester Southern Railroad Company	53,423 35
Seneca County Railway Company	125,639 90
Wilkes-Barre and Harvey's Lake Railroad Company	193,392 65
	<hr/>
	\$5,065,247 75

WATER LINES :—

Lehigh Valley Transportation Company	\$475,711 09
Morris Canal	38,748 35
	<hr/>
Total amount of advances to railroad and water lines as per balance sheet	\$5,579,707 19

Table 9.

STATEMENT OF SECURITIES OWNED BY LEHIGH VALLEY RAILROAD COMPANY
COVERED BY COLLATERAL TRUST DEED.

BONDS.	BONDS.	EACH.	PAR VALUE.	TOTAL.
Coal Ridge Improvement and Coal Co., dated May 27th, 1867	1	\$184,500	\$184,500 00	
Coal Ridge Improvement and Coal Co., dated June 1st, 1874	400	500	200,000 00	
Greenville and Hudson Ry. Co.	7	50,000	350,000 00	
Hazleton Coal Co.	1,948	1,000	1,948,000 00	
Lehigh Valley Coal Co., dated October 1st, 1892 .	1,400	1,000	1,400,000 00	
Lehigh Valley Coal Co., dated April 30th, 1897 .	1	5,000,000	5,000,000 00	
Lehigh Valley Terminal Ry. Co. Car Trust . . .	900	1,000	900,000 00	
Morris Canal and Banking Co.	500	1,000	500,000 00	
Rochester Southern R. R. Co.	425	1,000	425,000 00	
Schuylkill and Lehigh Valley R. R. Co.	2,000	1,000	2,000,000 00	
STOCKS.	SHARES.			\$12,907,500 00
Anthracite Coal and Improvement Co.	12,893	\$20	\$257,860 00	
Buffalo Creek R. R. Co.	1,250	100	125,000 00	
Canal R. R. Co.	6,000	10	60,000 00	
Canastota Northern R. R. Co.	2,000	100	200,000 00	
Coal Ridge Improvement and Coal Co.	32,302	25	807,550 00	
Coal Ridge Improvement and Coal Co., preferred .	3,460	25	86,500 00	
Depew and Tonawanda R. R. Co.	5,000	100	500,000 00	
Easton and Northern R. R. Co.	6,000	50	300,000 00	
Elmira, Cortland and Northern R. R. Co. . . .	20,000	100	2,000,000 00	
Elmira Transfer Ry. Co.	100	100	10,000 00	
Greenville and Hudson Ry. Co.	4,000	100	400,000 00	
Hazleton Coal Co.	10,000	50	500,000 00	
Highland Coal Co.	2,400	50	120,000 00	
Lehigh and New York R. R. Co., preferred . .	21,485	100	2,148,500 00	
Lehigh Valley Coal Co.	13,000	50	650,000 00	
Lehigh Valley R. W. Co.	59,000	100	5,900,000 00	
Lehigh Valley Terminal Ry. Co.	100,000	100	10,000,000 00	
Lehigh Valley Transportation Co.	7,500	100	750,000 00	
Loyalsock R. R. Co.	6,000	50	300,000 00	
Mineral Spring Coal Co.	1,959	100	195,900 00	
New York and Middle Coal Field R. R. and Coal Co.	42,446	25	1,061,150 00	
Pennsylvania and New York Canal and R. R. Co. .	21,024	50	1,051,200 00	
Perth Amboy and Raritan Ry. Co.	600	20	12,000 00	
Pittstown Branch Ry. Co.	400	100	40,000 00	
Rochester Southern R. R. Co.	8,000	100	800,000 00	
Schuylkill and Lehigh Valley R. R. Co.	39,968	50	1,998,400 00	
Waverly and State Line R. R. Co.	100	100	10,000 00	
Westwood Coal Co.	3,300	50	165,000 00	
Wilkes-Barre and Harvey's Lake R. R. Co. . .	3,000	50	150,000 00	
Wyoming Valley Coal Co.	9,222	100	922,200 00	
*Easton and Amboy R. R. Co.	60,000	100	6,000,000 00	
*National Docks Ry. Co.	19,270	100	1,927,000 00	
Total par value				39,448,260 00
				\$52,355,760 00

* Owned by Lehigh Valley Terminal Ry. Co.

SUMMARY.

Value of bonds as per books	\$11,529,423 93
Value of stocks as per books	26,594,884 58
Total.	\$38,124,308 51

STATEMENT OF SECURITIES OWNED BY LEHIGH VALLEY RAILROAD COMPANY

NOT COVERED BY COLLATERAL TRUST DEED.

BONDS.	BONDS.	EACH.	PAR VALUE.	TOTAL.
Glen Summit Hotel and Land Co.	158	\$500	\$79,000 00	
Hazleton Coal Co.	27	1,000	27,000 00	
Mansion House Hotel Co.	14	500	7,000 00	
Middlesex Valley R. R. Co.	389	1,000	389,000 00	
				\$502,000 00
STOCKS.	SHARES.			
Buffalo, Thousand Islands and Portland R. R. Co.	2,500	\$100	\$250,000 00	
Consolidated Real Estate Co.	100	50	5,000 00	
Hazleton Water Co.	300	50	15,000 00	
Hazle Water Co.	100	\$5 paid.	500 00	
Jersey City Belt Line Ry. Co.	600	\$20 paid.	12,000 00	
Locust Mountain Coal and Iron Co.	27	\$50	1,350 00	
Locust Mountain Water Co.	1,000	50	50,000 00	
Middlesex Ry. Co.	100	20 paid.	2,000 00	
Middlesex Valley R. R. Co.	5,000	\$100	500,000 00	
Montrose Ry. Co.	3,361	50	168,050 00	
Morris Canal and Banking Co., consolidated . . .	3,183	100	318,300 00	
Morris Canal and Banking Co., preferred . . .	2,714	100	271,400 00	
Morris Canal and Banking Co., scrip			56,797 50	
New York Transit and Terminal Ry. Co.	124	50	6,200 00	
Newark Bay Ry. Co.	500	\$20 paid.	10,000 00	
Packer Coal Co.	76	\$50	3,800 00	
Paxinosa Land and Improvement Co.	200	50	10,000 00	
People's Ry. Co.	348	20	6,960 00	
Philadelphia Floating Elevator Association . . .	50	400	20,000 00	
Pioneer Real Estate Co.	25	100	2,500 00	
Seneca County Ry. Co.	100	100	10,000 00	
Stony Creek R. R. Co.	400	50	20,000 00	
United Real Estate Co.	10	100	1,000 00	
Weatherly Water Co.	600	10	6,000 00	
				1,746,857 50
Total par value				\$2,248,857 50

SUMMARY.

Value of bonds as per books	\$245,686 24
Value of stocks as per books	1,105,400 56
Total	\$1,351,086 80

Total par value of all securities \$54,604,617 50

Value of all securities as per Lehigh Valley R. R. Co. books \$31,548,395 31
Value of all securities as per Lehigh Valley Terminal Ry. Co. books 7,927,000 00

Total \$39,475,395 31

Table 10.

STATEMENT OF MILEAGE OF TRACK OPERATED.

OWNED BY THE LEHIGH VALLEY RAILROAD OR CONTROLLED BY OWNERSHIP OF ENTIRE STOCK.	FIRST TRACK, MILES.	SECOND TRACK, MILES.	THIRD TRACK, MILES.	YARD TRACKS AND SIDINGS, MILES.	TOTAL TRACKS, MILES.
Lehigh Valley Terminal Railway and Easton and Amboy Railroad, Jersey City to Phillipsburg, N. J. :—					
Main Line	71.452	71.452	9.368	38.088	190.360
Branches	36.275	12.478	. . .	114.166	162.919
Lehigh Valley Railroad, Phillipsburg, N. J., to Wilkes-Barre, Pa. :—					
Main Line	98.941	88.310	2.787	158.167	348.205
Branches	14.332	2.228	. . .	12.779	29.339
Mahanoy and Hazleton Division :—					
Main Line and Main Branches	115.584	64.939	. . .	74.311	254.834
Small Branches to Breakers, &c.	63.280	. . . . .	. . .	42.769	106.049
Mountain Cut-Off, Fairview to Avoca, Pa.	17.172	17.172	. . .	3.363	37.707
Wyoming Division Branches	11.298	. . . . .	. . .	4.917	16.215
Bowman's Creek Branch, Port Bowkley to Bernice, Pa., and branches	52.073	. . . . .	. . .	9.715	61.788
Waverly and State Line Railroad, Pennsylvania State Line to Waverly, N. Y. . . . .	.408	.367	. . .	1.858	2.633
Lehigh Valley Rail Way, Pennsylvania State Line to Buffalo, N. Y.	175.156	175.156	. . .	124.527	474.839
Ithaca Branch, Van Etten Junction to Geneva Junction, N. Y.	59.490	. . . . .	. . .	16.715	76.205
Auburn and Ithaca Branch, Ithaca to Auburn, N. Y., Cayuga Branch, Cayuga Junction to Cayuga, N. Y., Rochester Southern Railroad, Rochester to Hemlock Lake, N. Y.	42.456	. . . . .	. . .	8.115	50.571
Depew and Tonawanda Railroad, Depew Junction to Tonawanda Junction, N. Y.	3.753	. . . . .	. . .	1.093	4.846
Elmira, Cortland and Northern Railroad, Elmira to Camden, N. Y.	30.177	.513	. . .	7.533	38.223
Middlesex Valley Railroad, Geneva to Naples, N. Y., Seneca County Railway, Geneva Junction to Seneca Falls, N. Y.	10.559	10.388	. . .	1.458	22.405
Total	139.142	. . . . .	. . .	29.462	168.604
.	29.426	. . . . .	. . .	2.776	32.202
.	8.114	. . . . .	. . .	.666	8.780
Total	979.088	443.003	12.155	652.478	2,086.724
CONTROLLED BY OWNERSHIP OF A MAJORITY OF CAPITAL STOCK.	FIRST TRACK, MILES.	SECOND TRACK, MILES.	THIRD TRACK, MILES.	YARD TRACKS AND SIDINGS, MILES.	TOTAL TRACKS, MILES.
Schuylkill and Lehigh Valley Railroad, Lizard Creek Junction to Blackwood, Pa.	41.688	. . . . .	. . .	8.339	50.027
Pennsylvania and New York Canal and Railroad :—					
Main Line, Wilkes-Barre, Pa., to Pennsylvania State Line	96.508	96.508	. . . . .	113.160	306.176
Branches	42.600	2.515	. . . . .	36.837	81.952
Montrose Railway, Tunkhannock to Montrose, Pa. (narrow gauge)	27.224	. . . . .	. . .	1.582	28.806
Lehigh and New York Railroad, Pennsylvania State Line to North Fair Haven, N. Y.	115.371	. . . . .	. . .	28.381	143.752
Total	323.391	99.023	. . . . .	188.299	610.713

STATEMENT OF MILEAGE OF TRACK OPERATED.—(Continued.)

LEASED.	FIRST TRACK, MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
State Line and Sullivan Railroad, Monroeton to Bernice, Pa.	24.055	. . . . .	. . . . .	4.821	28.876
Hayt's Corners, Ovid and Willard Railroad, Hayt's Corners to Willard, N. Y.	3.823	. . . . .	. . . . .	.295	4.118
Total	27.878	. . . . .	. . . . .	5.116	32.994

TRACKAGE RIGHTS.	FIRST TRACK, MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Pennsylvania Railroad, Schuylkill Division, Spring Garden Junction to Pottsville, Pa.	4.20	. . . . .	. . . . .	. . . . .	4.20
Pennsylvania Railroad, West Newark Junction to Jersey City, N. J.	9.40	9.40	. . . . .	. . . . .	18.80
National Docks Railway, Constable Junction to Edgewater Junction, Jersey City, N. J.	2.71	2.71	. . . . .	. . . . .	5.42
National Docks Railway, Constable Junction to Constable Hook, N. J.	3.06	2.55	. . . . .	. . . . .	5.61
Philadelphia and Erie Railroad, New Boston Junction to Pottsville, Pa.	10.90	. . . . .	. . . . .	. . . . .	10.90
Northern Central Railway, Mt. Carmel to Shamokin, Pa.	8.30	. . . . .	. . . . .	. . . . .	8.30
Central Railroad of New Jersey, Sandy Run Junction to Crellin Junction, Pa.	5.91	. . . . .	. . . . .	. . . . .	5.91
Barclay Railroad, Barclay Junction to Monroeton, Pa.	4.00	. . . . .	. . . . .	. . . . .	4.00
New York Central Railroad, Tonawanda Junction to Suspension Bridge, N. Y.	14.96	12.80	. . . . .	. . . . .	27.76
Total	63.44	27.46	. . . . .	. . . . .	90.90

OWNED, NOT OPERATED.	FIRST TRACK, MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Easton and Northern Railroad, Easton to Belfast, Pa., leased to Bangor and Portland Railway	8.137	. . . . .	. . . . .	2.047	10.184
Total	8.137	. . . . .	. . . . .	2.047	10.184

RECAPITULATION.	FIRST TRACK, MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Owned, or controlled by ownership of entire stock	979.088	443.003	12.155	652.478	2,086.724
Controlled by ownership of a majority of stock	323.391	99.023	. . . . .	188.299	610.713
Leased	27.878	. . . . .	. . . . .	5.116	32.994
Trackage rights	63.440	27.460	. . . . .	. . . . .	90.900
Owned, not operated	8.137	. . . . .	. . . . .	2.047	10.184
Total	1,401.934	569.486	12.155	847.940	2,831.515

MILEAGE BY STATES.	FIRST TRACK, MILES.	SECOND TRACK. MILES.	THIRD TRACK. MILES.	YARD TRACKS AND SIDINGS. MILES.	TOTAL TRACKS. MILES.
Pennsylvania	646.202	271.672	2.787	472.807	1,393.468
New York	632.835	199.224	. . . . .	222.879	1,054.938
New Jersey	122.897	98.590	9.368	152.254	383.109
Total	1,401.934	569.486	12.155	847.940	2,831.515

Table 11.

STATEMENT OF CAR EQUIPMENT.

DESCRIPTION.	OWNED NOVEMBER 30th, 1897.	DESTROYED OR RECLASSIFIED DURING FISCAL YEAR.	BUILT, PURCHASED OR RECLASSIFIED DURING FISCAL YEAR.	OWNED NOVEMBER 30th, 1898.	TONNAGE CAPACITY.
Passenger cars	242	16	5	231	. . . . .
Chair cars	12	2	1	11	. . . . .
Dining cars	3	. . . . .	1	4	. . . . .
Café cars	3	. . . . .	. . . . .	3	. . . . .
Business and pay cars	6	. . . . .	. . . . .	6	. . . . .
Combination cars	66	5	13	74	. . . . .
Baggage and mail cars	33	2	. . . . .	31	. . . . .
Express cars	38	1	3	40	. . . . .
Fruit cars	10	. . . . .	1	11	. . . . .
Postal cars	3	. . . . .	. . . . .	3	. . . . .
Milk cars	40	. . . . .	. . . . .	40	. . . . .
Box cars	14,180	306	1,268	15,142	423,294
Refrigerator cars	149	49	. . . . .	100	2,670
Produce cars	369	. . . . .	113	482	13,510
Furniture cars	2	. . . . .	. . . . .	2	40
Poultry cars	25	. . . . .	. . . . .	25	750
Stock cars	143	2	2	143	3,040
Lime cars	32	4	15	43	427
Bark cars	49	1	. . . . .	48	840
Flat cars (8 wheels)	630	268	3	365	8,694
" (6 wheels)	19	15	. . . . .	4	48
Gondola cars	1,774	154	16	1,636	37,743
Coal cars (4 wheels)	15,043	2,735	3	12,311	73,866
" (8 wheels)	12,059	67	15	12,007	324,810
Service cars	750	139	503	1,114	. . . . .
Caboosees	309	14	4	299	. . . . .
Total	45,989	3,780	1,966	44,175	889,732

STATEMENT OF CAR EQUIPMENT.—(Continued.)

NET TONNAGE CAPACITY, FREIGHT AND COAL EQUIPMENT.

November 30th, 1898	889,732 tons.
November 30th, 1897	873,558 "
Decrease in coal-car tonnage during fiscal year 1898	17,116 "
Increase in freight-car tonnage during fiscal year 1898	33,290 "

	NOVEMBER 30th, 1898.	NOVEMBER 30th, 1897.	INCREASE.
Cars equipped with Master Car Builders' coupler	24,654	22,803	1,851
" " air brake	13,613	12,878	735
Cars equipped with Master Car Builders' coupler at Company's shops, 1582			\$41,353 48
" " air brake at Company's shops, 70			4,382 70
Total cost			\$45,736 18

On November 30th the following car equipment was in shops or awaiting repairs, as compared with the figures for the corresponding date of 1897:—

DESCRIPTION.	NOVEMBER 30th, 1898.	NOVEMBER 30th, 1897.	INCREASE OR DECREASE.
Box	358	454	Dec. 96
Flat, &c.	102	125	" 23
Coal, 8-wheel	695	631	Inc. 64
Coal, 4-wheel	138	757	Dec. 619
Passenger	55	50	Inc. 5
Caboose and gravel	65	48	" 17
	1,413	2,065	Dec. 652

Table 12.

STATEMENT OF LOCOMOTIVE EQUIPMENT.

Number of locomotives:—

Owned November 30th, 1897	737
Condemned December 1st, 1897 to November 30th, 1898	18
	—
Added—New, purchased	719
Belonging to, and acquired with, Montrose Railway	14
	—
3	3
	—
Owned November 30th, 1898	736

LOCOMOTIVES IN SHOP.

	REBUILDING.	GENERAL REPAIRS.	LIGHT REPAIRS.	WAITING.	TOTAL.
November 30th, 1898	3	30	16	24	73
November 30th, 1897	1	38	26	15	80

Table 13.

ANALYSIS OF TRAFFIC EARNINGS AND EXPENSES FOR YEARS ENDED
NOVEMBER 30TH.

EARNINGS AND EXPENSES.

	1898	1897	INCREASE.	DECREASE.
Freight and passenger earnings	\$18,727,228 71	\$18,636,436 03	\$90,792 68	. . . . .
Freight and passenger earnings per mile of road	14,076 84	14,252 76	. . . . .	\$175 92
Gross earnings, all sources	19,742,537 96	19,559,166 96	183,371 00	. . . . .
Gross earnings per mile of road	14,840 03	14,958 44	. . . . .	118 41
Gross earnings per train mile	1 582	*	. . . . .	. . . . .
Operating expenses and taxes	14,188,227 88	14,413,330 55	. . . . .	225,102 67
Operating expenses and taxes per mile of road,	10,664 98	11,023 01	. . . . .	358 03
Operating expenses and taxes per train mile	1 137	*	. . . . .	. . . . .
Net earnings	5,554,310 08	5,145,836 41	408,473 67	. . . . .
Net earnings per mile of road	4,175 05	3,935 43	239 62	. . . . .
Net earnings per train mile	cents, 44.5	*	. . . . .	. . . . .

* No train mile records available for 1897.

PASSENGER.

	1898	1897	INCREASE.	DECREASE.
Earnings, not including mail and express	\$2,718,858 43	\$2,672,547 13	\$46,311 30	. . . . .
Passenger train earnings, including mail and express,	\$3,121,817 01	\$3,039,213 86	\$82,603 15	. . . . .
Number of passengers carried	4,569,005	4,881,610	. . . . .	312,605
Number of passengers carried one mile	146,509,672	135,489,011	11,020,661	. . . . .
Average mileage per passenger	32.07	27.75	4.32	. . . . .
Average receipts per passenger	cents, 59.51	cents, 54.75	cents, 4.76	. . . . .
Average receipts per passenger per mile	cents, 1.856	cents, 1.973	. . . . .	cents, .117
Train mileage	4,789,009	†5,786,829	. . . . .	997,820
Passenger earnings, including mail and express, per mile of road	\$2,346 60	\$2,324 33	\$22 27	. . . . .
Passenger earnings, including mail and express, per train mile	cents, 65.188	cents, †52.519	cents, 12.669	. . . . .
Car mileage	12,089,129	*	. . . . .	. . . . .
Average cars per train	4.35	*	. . . . .	. . . . .
Average number of passengers per train	30.5	23.5	7.	. . . . .
Average number of passengers per car	12	*	. . . . .	. . . . .

* No records available for 1897.

† Estimated.

FREIGHT, INCLUDING COAL.

TOTAL TONNAGE OVER ROAD IN TONS OF 2000 LBS.

	1898	1897	INCREASE.	DECREASE.	PER CENT. OF INCREASE OR DECREASE.
Anthracite coal, including supply coal,	10,226,267	10,278,410	. . . . .	52,143	Dec. .507
Bituminous coal and coke	1,348,568	1,251,637	96,931	. . . . .	Inc. 7.74
Miscellaneous freights	7,373,933	6,339,526	1,034,407	. . . . .	" 16.32
Total	18,948,768	17,869,573	1,079,195	. . . . .	Inc. 6.04

TONS CARRIED ONE MILE.

	1898	1897	INCREASE.	DECREASE.	PER CENT. OF INCREASE.
Anthracite coal	1,239,006,949	1,174,929,703	64,077,246	. . . . .	Inc. 5.45
Bituminous coal and coke	100,419,434	98,809,358	1,610,076	. . . . .	" 1.63
Miscellaneous freights	1,864,684,005	1,548,289,445	316,394,560	. . . . .	" 20.44
Total	3,204,110,388	2,822,028,506	382,081,882	. . . . .	Inc. 13.54

FREIGHT AVERAGES.

	1898	1897	INCREASE.	DECREASE.
Coal earnings	\$8,436,391 89	\$8,560,418 07	. . . . .	\$124,026 18
Freight earnings	7,571,978 39	7,403,470 83	\$168,507 56	. . . . .
Coal and freight earnings	16,008,370 28	15,963,888 90	44,481 38	. . . . .
Average earnings per ton on coal	72.89 cents.	74.24 cents.	. . . . .	1.35 cents.
Average earnings per ton on coal exclusive of supply coal	81.51 cents.	81.90 cents.	. . . . .	.49 cents.
Average earnings per ton on miscellaneous freight	102.69 cents.	116.78 cents.	. . . . .	14.09 cents.
Average earnings per ton on total tonnage . .	84.48 cents.	89.34 cents.	. . . . .	4.86 cents.
Average earnings per ton on total tonnage, exclusive of supply coal	90.32 cents.	95.07 cents.	. . . . .	4.75 cents.
Average earnings per ton per mile on coal . .	.630 cents.	.672 cents.	. . . . .	.042 cents.
Average earnings per ton per mile on coal, exclusive of supply coal . . . . .	.669 cents.	.712 cents.	. . . . .	.043 cents.
Average earnings per ton per mile on miscellaneous freight . . . . .	.406 cents.	.478 cents.	. . . . .	.072 cents.
Average earnings per ton per mile on total tonnage . . . . .	.500 cents.	.566 cents.	. . . . .	.066 cents.
Average earnings per ton per mile on total tonnage, exclusive of supply coal . . . . .	.512 cents.	.580 cents.	. . . . .	.068 cents.
Average expenses per ton per mile: Total tonnage	.316 cents.	*	. . . . .	. . . . .
Average miles carried: Coal	115.72	110.47	5.25	. . . . .
Average miles carried: Miscellaneous freight .	252.88	244.23	8.65	. . . . .
Average miles carried: Total tonnage	169.09	157.92	11.17	. . . . .
Train mileage	7,688,066	*	. . . . .	. . . . .
Freight earnings per mile of road, including coal	\$12,033 14	\$12,208 85	. . . . .	\$175 71
Freight earnings per train mile, including coal	2.0822	*	. . . . .	. . . . .
Car mileage	297,306,153	*	. . . . .	. . . . .
Average cars per train	34.43	*	. . . . .	. . . . .
Percentage of loaded cars per train	64.20	*	. . . . .	. . . . .
Average train load: Revenue freight	383.87 tons.	*	. . . . .	. . . . .
Average car load per loaded car	18.848 tons.	*	. . . . .	. . . . .

* No records available for 1897.

Table 14.

MISCELLANEOUS FREIGHT STATISTICS, BY MONTHS (NOT INCLUDING COMPANY MATERIAL), FOR YEAR ENDED NOVEMBER 30TH, 1898, AND TOTALS FOR YEAR ENDED NOVEMBER 30TH, 1897.

MONTHS.	NUMBER OF NET TONS.	TONS ONE MILE.	REVENUE.	AVERAGE RATE PER TON PER MILE.	AVERAGE DISTANCE HAULED.
December, 1897	605,206	167,922,751	\$678,058 25	.404	277.46
January, 1898	458,854	109,893,064	469,227 52	.427	239.49
February, "	470,879	112,788,177	536,148 22	.475	239.53
March, "	572,127	141,548,190	612,417 62	.433	247.41
April, "	633,513	164,083,425	666,340 96	.406	259.01
May, "	746,470	212,960,734	719,213 03	.338	285.29
June, "	630,609	165,941,638	664,919 28	.401	263.15
July, "	465,495	101,459,353	466,545 50	.460	217.96
August, "	619,174	143,539,368	605,393 28	.422	231.82
September, "	660,140	156,293,884	671,607 78	.430	236.76
October, "	747,885	190,216,950	777,844 02	.409	254.34
November, "	763,581	198,036,471	704,262 93	.356	259.35
Totals for year ended Nov. 30th, 1898 .	7,373,933	1,864,684,005	\$7,571,978 39	.406	252.88
Totals for year ended Nov. 30th, 1897 .	6,339,526	1,548,289,445	\$7,403,470 83	.478	244.23
Increase	1,034,407	316,394,560	\$168,507 56	. . . . .	8.65
Increase, per cent.	16.32	20.44	2.28	. . . . .	3.54
Decrease	· · · · ·	· · · · ·	· · · · ·	.072	· · · · ·
Decrease, per cent.	· · · · ·	· · · · ·	· · · · ·	15.06	· · · · ·

COAL FREIGHT STATISTICS, BY MONTHS (NOT INCLUDING SUPPLY COAL), FOR YEAR ENDED NOVEMBER 30TH, 1898, AND TOTALS FOR YEAR ENDED NOVEMBER 30TH, 1897.

MONTHS.	NUMBER OF NET TONS.	TONS ONE MILE.	REVENUE.	AVERAGE RATE PER TON PER MILE.	AVERAGE DISTANCE HAULED.
December, 1897	754,615	89,445,329	\$574,684 52	.642	118.53
January, 1898	792,488	89,881,021	617,219 77	.687	113.42
February, "	744,712	88,046,646	656,126 04	.745	118.23
March, "	648,087	74,242,184	534,584 17	.720	114.56
April, "	573,276	63,937,708	430,097 54	.673	111.53
May, "	607,438	64,268,923	383,827 61	.597	105.80
June, "	711,444	80,523,186	508,909 85	.632	113.18
July, "	1,019,512	129,509,427	885,811 41	.684	127.03
August, "	871,090	112,890,101	761,119 18	.674	129.60
September, "	1,099,968	141,345,780	909,762 73	.644	128.50
October, "	1,330,167	176,674,004	1,200,305 07	.679	132.82
November, "	1,197,508	149,801,666	973,944 00	.650	125.09
Totals for year ended Nov. 30th, 1898 .	10,350,305	1,260,565,975	\$8,436,391 89	.669	121.79
Totals for year ended Nov. 30th, 1897 .	10,452,906	1,202,067,465	\$8,560,418 07	.712	115.00
Increase	· · · · ·	58,498,510	· · · · ·	. . . . .	6.79
Increase, per cent.	· · · · ·	4.87	· · · · ·	. . . . .	5.90
Decrease	102,601	· · · · ·	\$124,026 18	.043	· · · · ·
Decrease, per cent. . . . .	.98	· · · · ·	1.45	6.04	· · · · ·

Table 15.

PASSENGER STATISTICS, BY MONTHS, FOR YEAR ENDED NOVEMBER 30TH, 1898,
AND TOTALS FOR YEAR ENDED NOVEMBER 30TH, 1897.

MONTHS.	NUMBER OF PASSENGERS.	PASSENGERS ONE MILE.	REVENUE.	AVERAGE RATE PER PASSENGER PER MILE.	AVERAGE DISTANCE TRAVELED.
December, 1897	389,348	9,818,625	\$204,581 25	2.084	25.22
January, 1898	381,482	9,023,757	190,226 66	2.108	23.65
February, "	319,435	8,133,659	166,010 43	2.041	25.46
March, "	344,256	9,873,862	198,938 67	2.015	28.68
April, "	324,089	10,689,860	204,293 37	1.911	32.98
May, "	326,769	11,118,458	208,003 54	1.871	34.03
June, "	349,921	11,267,188	217,482 85	1.930	32.20
July, "	428,635	13,908,387	261,336 56	1.879	32.45
August, "	489,751	17,586,282	302,111 03	1.718	35.91
September, "	455,060	19,340,257	305,630 78	1.580	42.50
October, "	393,067	15,043,703	258,288 94	1.717	38.27
November, "	367,192	10,705,634	201,954 35	1.886	29.16
Totals for year ended Nov. 30th, 1898 .	4,569 005	146,509,672	\$2,718,858 43	1.856	32.07
Totals for year ended Nov. 30th, 1897 .	4,881,610	135,489,011	\$2,672,547 13	1.973	27.75
Increase		11,020,661	\$46,311 30	. . . . .	4.32
Increase, per cent.		8.13	1.73	. . . . .	15.57
Decrease	312,605	. . . . .	. . . . .	.117	. . . . .
Decrease, per cent.	6.40	. . . . .	. . . . .	5.93	. . . . .

Table 16.

PERFORMANCE OF LOCOMOTIVES (ENTIRE SYSTEM), FOR YEARS ENDED
NOVEMBER 30TH.

LOCOMOTIVE MILEAGE.	1898.	1897.	INCREASE.	DECREASE.
Passenger	4,962,515	6,186,618		
Passenger, helping	169,396	†		1,054,707
Freight and coal	8,459,977	11,505,334		
Freight and coal, helping	2,077,551	†		967,806
Work	469,125	462,528	6,597	
Shifting	5,195,984	4,657,914	538,070	
Total	21,334,548	22,812,394		1,477 846
Average passenger	46,653.8	46,168.8	485.0	
Average freight and coal	31,549.5	32,227.6		678.1
Average shifting and others	43,346.7	44,525.6		1178.9
Average all services	36,975.0	37,644.2		769.2
CAR MILEAGE.				
Passenger	20,878,096	22,000,727		1,122,631
Freight and coal, loaded	186,091,406	*		
Freight and coal, empty	104,356,262	*		
Work, loaded and empty	1,165,283	*		
Caboose	6,858,485	*		
Total	319,349.532	*		
FUEL COAL USED PER MILE, POUNDS.				
Passenger locomotives	83.7	79.7	4.0	
Freight and coal locomotives	135.5	120.0	15.5	
Shifting and other locomotives	50.2	48.9	1.3	
All services	100.3	93.2	7.1	
Passenger car	20.4	*		
Freight and coal car	6.6	*		
OIL AND WASTE.				
Lubricating oil—locomotive mileage, per pint	28.98	23.38	5.60	
Cylinder oil—locomotive mileage, per pint	84.45	59.80	24.65	
Waste—locomotive mileage, per pound	102.07	94.07	8.00	
COST PER LOCOMOTIVE MILE.				
Fuel . . . . .	.0654 cents.	.0561 cents.	.0093 cents.	
Oil and waste . . . . .	.0028 cents.	.0023 cents.	.0005 cents.	
Other supplies . . . . .	.0012 cents.	.0012 cents.		
Water supply . . . . .	.0037 cents.	.0036 cents.	.0001 cents.	
Engineers and firemen . . . . .	.0544 cents.	.0564 cents.		.0020 cents.
Engine house men . . . . .	.0106 cents.	.0053 cents.	.0053 cents.	
Repairs and renewals . . . . .	.0431 cents.	.0415 cents.	.0016 cents.	
Total . . . . .	.1812 cents.	.1664 cents.	.0148 cents.	
COST PER CAR MILE.				
Fuel . . . . .	.0059 cents.	*		
Oil and waste . . . . .	.0002 cents.	*		
Other supplies . . . . .	.0001 cents.	*		
Water supply . . . . .	.0003 cents.	*		
Engineers and firemen . . . . .	.0049 cents.	*		
Engine house men . . . . .	.0010 cents.	*		
Repairs and renewals . . . . .	.0039 cents.	*		
Total . . . . .	.0163 cents.	*		
COST PER 1000 TONS HAULED ONE MILE.				
Fuel . . . . .	.435 cents.	.453 cents.		.018 cents.
Oil and waste . . . . .	.018 cents.	.019 cents.		.001 cents.
Other supplies . . . . .	.009 cents.	.010 cents.		.001 cents.
Water supply . . . . .	.025 cents.	.029 cents.		.004 cents.
Engineers and firemen . . . . .	.362 cents.	.456 cents.		.094 cents.
Engine house men . . . . .	.070 cents.	.043 cents.	.027 cents.	
Repairs and renewals . . . . .	.287 cents.	.336 cents.		.049 cents.
Total	1.206 cents.	1.346 cents.		.140 cents.

* No record of car mileage kept in 1897.

† Passenger and passenger helping mileage, freight and coal, and freight and coal helping mileage, not separated in 1897.

All costs per car mile are on loaded basis.

Cost per locomotive mile for fuel in 1898 includes cost of handling, not included in 1897.

Cost per locomotive mile, oil and waste, includes cost of illuminating oils, not included in 1897.

Cost of engine housemen in 1898 includes wages of all engine house employees; 1897 figures included watchmen and wipers only.

Table 17.

TRAIN AND CAR STATISTICS FOR YEAR ENDED NOVEMBER 30TH, 1898.

TRAIN MILEAGE. †

Miles run by passenger trains	4,789,009
Miles run by freight trains	7,688,066
	<hr/>
Total mileage of trains earning revenue	12,477,075
Miles run by work trains	278,079
	<hr/>
Total train mileage (helping engine mileage not included)	12,755,154
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CAR STATISTICS. †

Mileage of loaded freight train cars	186,091,406
Mileage of empty freight train cars	104,356,262
Mileage of caboose cars	6,858,485
	<hr/>
Total mileage of freight train cars	297,306,153
Mileage of work train cars	1,165,283
	<hr/>
Total mileage of freight and work train cars	298,471,436
	<hr/>
Mileage of passenger cars	12,089,192
Mileage of combination baggage, mail, and express cars	8,788,904
	<hr/>
Total mileage of passenger train cars	20,878,096
	<hr/>
Average number of loaded freight cars in train	22.11
*Average number of empty freight cars in train	12.32
Average number of cars in each freight train	34.43
*Percentage of loaded cars in each train	64.22
Average number of passenger cars in train	2.52
Average number of combination baggage, mail, and express cars in train	1.83
Average number of cars in each passenger train	4.35

(In computing average number of loaded and empty freight cars in trains and percentage of loaded cars per train Lehigh Valley 4-wheel coal cars have been reduced to an 8-wheel basis of 4 to 1.)

* Caboose cars included in empty mileage.

† No train mile records or car statistics for 1897.

Table 18.

STATEMENT OF DISTRIBUTION OF ANTHRACITE COAL IN TONS OF 2240 POUNDS
FOR YEARS ENDED NOVEMBER 30TH.

POINTS OF DELIVERY.	1898	1897	INCREASE.	DECREASE.	PER CENT. OF INCREASE OR DECREASE.
Local points	1,434,513	1,455,096	. . . . .	20,583	Dec. 1.41
North Fair Haven	40,848	47,600	. . . . .	6,752	" 14.18
Ithaca Docks	73,562	72,928	634	. . . . .	Inc. .87
Buffalo, Bridges, &c.	825,519	838,458	. . . . .	12,939	Dec. 1.54
Morris Canal	164,757	211,616	. . . . .	46,859	" 22.14
Tide points	1,882,728	1,715,464	167,264	. . . . .	Inc. 9.75
New York Central and Hudson River R. R.	176,758	167,963	8,795	. . . . .	" 5.24
Rome, Watertown and Ogdensburg R. R.	37,510	37,534	. . . . .	24	Dec. .06
Western New York and Pennsylvania R. R.	16,001	11,267	4,734	. . . . .	Inc. 42.02
Buffalo, Rochester and Pittsburg R. R.	34,158	15,406	18,752	. . . . .	" 121.72
Genesee and Wyoming Valley R. R.	259	1,053	. . . . .	794	Dec. 75.40
Erie Railroad	37,304	108,632	. . . . .	71,328	" 65.66
Erie and Wyoming Valley R. R.	84,987	71,315	13,672	. . . . .	Inc. 19.17
New York, Susquehanna and Western R. R.	421	321,406	. . . . .	320,985	Dec. 99.87
Lehigh and New England R. R.	34,336	29,219	5,117	. . . . .	Inc. 17.51
Central R. R. of New Jersey	51,470	33,892	17,578	. . . . .	" 51.86
Philadelphia and Reading Ry.	134,515	163,966	. . . . .	29,451	Dec. 17.96
Pennsylvania R. R.	1,163,487	1,164,236	. . . . .	749	" .06
Lehigh and Hudson River R. R.	7,363	7,050	313	. . . . .	Inc. 4.44
Delaware, Lackawanna and Western R. R.	1,718	2,558	. . . . .	840	Dec. 32.84
New York, New Haven and Hartford R. R.	285,650	220,516	65,134	. . . . .	Inc. 29.54
Trackage	2,138,115	2,029,505	108,610	. . . . .	" 5.35
Supply	504,616	450,472	54,144	. . . . .	" 12.02
Total	9,130,595	9,177,152	. . . . .	46,557	Dec. .51
Total in tons of 2000 pounds	10,226,267	10,278,410	. . . . .	52,143	Dec. .51

Table 19.

CLASSIFICATION OF MISCELLANEOUS FREIGHT TONNAGE FOR YEARS
ENDED NOVEMBER 30TH.

COMMODITIES.	1898	1897	INCREASE.	DECREASE.	PER CENT. OF INCREASE OR DECREASE.
PRODUCTS OF AGRICULTURE :—					
Grain	Net Tons.	Net Tons.			
Grain	1,923,075	1,404,791	518,284	. . . . .	Inc. 36.89
Flour	435,012	324,691	110,321	. . . . .	" 33.98
Other mill products	218,608	154,958	63,650	. . . . .	" 41.08
Hay	227,423	253,544	. . . . .	26,121	Dec. 40.30
Fruits and vegetables	159,851	158,477	1,374	. . . . .	Inc. .87
Cotton	33,210	22,377	10,833	. . . . .	" 48.41
Other agricultural products	55,527	42,172	13,355	. . . . .	" 31.67
PRODUCTS OF ANIMALS :—					
Live stock	139,144	138,531	613	. . . . .	Inc. .44
Dressed meats	117,294	125,380	. . . . .	8,086	Dec. 6.45
Hides and leather	21,345	23,475	. . . . .	2,130	" 9.07
Milk	43,954	37,998	5,956	. . . . .	Inc. 15.67
Wool	10,381	7,157	3,224	. . . . .	" 45.05
Other products of animals	32,727	21,530	11,197	. . . . .	" 52.01
PRODUCTS OF MINES :—					
Ores	149,173	139,651	9,522	. . . . .	Inc. 6.81
Stone, sand, and other like articles . . .	320,472	279,960	40,512	. . . . .	" 14.47
Roofing slate	55,092	59,658	. . . . .	4,566	Dec. 7.65
PRODUCTS OF FOREST :—					
Lumber	593,155	579,157	13,998	. . . . .	Inc. 2.40
Bark	40,562	37,201	3,361	. . . . .	" 9.03
MANUFACTURES :—					
Petroleum and other oils	50,227	66,937	. . . . .	16,710	Dec. 24.96
Iron—pig	138,282	134,641	3,641	. . . . .	Inc. 2.71
Iron and steel rails	25,179	43,242	. . . . .	18,063	Dec. 41.77
Copper and lead—pig	70,313	53,262	17,051	. . . . .	Inc. 32.01
Bar and sheet metal	92,616	105,393	. . . . .	12,777	Dec. 12.12
Cement, brick, and lime	489,053	405,882	83,171	. . . . .	Inc. 20.49
Wines, liquors, and beers	33,446	24,811	8,635	. . . . .	" 34.80
Sugar and glucose	105,346	140,635	. . . . .	35,289	Dec. 25.09
Salt	55,203	55,719	. . . . .	516	" .93
MISCELLANEOUS :—					
Other articles not mentioned above	1,738,263	1,498,296	239,967	. . . . .	Inc. 16.02
Total	7,373,933	6,339,526	1,034,407	. . . . .	Inc. 16.32
Company material	175,351	206,097	. . . . .	30,746	Dec. 14.92

Table 20.

STATEMENT OF SECURITIES OWNED BY LEHIGH VALLEY COAL COMPANY.

STOCKS.

NAME.	SHARES.	EACH.	PAR VALUE.
Delano Land Company	5,000	\$50	\$250,000 00
Locust Mountain Coal and Iron Company	6,304	50	315,200 00
Total par value			\$565,200 00
Value of the above as per books			\$593,568 00







